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HIGHER EDUCATION AND SOCIAL RESPONSIBILITY: QUALITY MANAGEMENT PERSPECTIVES

Student Workbook

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PREFACE

Recent cataclysms of the volatile world reveal the urgent need to recognise new management systems appropriate to solve ravages of the fading industrial era. Classical quality tools have been used by a range of organisations for decades, but they have not been widely recognised from corporate social responsibility perspective yet.

The concept of corporate social responsibility (CSR) has evolved over time and now it is concerned to a wide range of organisations given the market character of the environment with its emphasis on globalisation and competition. Facing current challenges of sustainable development, global leaders start focussing on the redesign management systems for improvement, taking into account energy efficiency, supplier engagement, stakeholder satisfaction, waste reduction, etc. At the same time, in an increasingly networked and globalised world, classical quality challenges evolve in a new context, with strong focus on socially responsible and sustainable stakeholder value.

Plenty of CSR issues in terms of applications and relevant practices lately refer to a wide range of tactical level tools and approaches that can benefit greatly from quality framework. Best practices worldwide demonstrate numbers of examples how world leaders develop stronger cases for action with robust holistic CSR integrated programmes for improvements in all sectors of activity. These attitudes tend to prompt the new holistic management paradigm for management improvement in the foreseeable future.

In this context, many educational institutions are trying to adopt a more business-like orientation to accomplish the changes. Higher education institutions are also implementing socially responsible practices in order to maintain competitive advantage through addressing economic, social and environmental issues with the primarily target of improved quality and performance excellence. CSR at universities – University Social Responsibility (USR) – is all about going beyond simply "what is required" in legislation, rules and regulations. Moreover, USR means to be transparent in the communication of its performance, to be well managed holding strong governance procedures, to be responsive to the needs of its stakeholders, responsible in its values, attitudes and actions, and able to be trusted. Despite

the evolving debate concerning CSR and sustainability in higher education institutions and its direct link to quality assurance and quality enhancement, practical guidelines for CSR encouragement in universities through proactive involvement of primary higher education quality stakeholders remain unclear.

The purpose of this book and, in parallel, the proposed course on quality management is to develop understanding of CSR integrated quality philosophies, quality management methods and tools, which are synthesised and applied in contemporary organisations to ensure high quality of socially responsible performance and excellence in products and services, particularly focusing on higher education institutions, i.e. universities. The book provides additional practices with insights of modern views on quality as holistic management, responsibility and integrity tailored to classical approaches. In line with issuing a challenge for primary higher education stakeholders by proactive engagement in creative study programme quality improvement process, it gives an opportunity of examining responsibility for quality in higher education on their own both from theoretical and practical backgrounds.

The author appreciates the opportunity created by Mykolas Romeris University and the European Social Fund sponsored project "Internationalization of master study programmes", No VP1-2.2-ŠMM-07-K-02-073 to deepen the knowledge and expertise in the field of master study process management excellence in leading European universities, particularly Rotterdam School of Management, Erasmus University, and other respective higher education institutions. The acquired expertise is reflected throughout the contents of this book. At the same time, the author gives appreciation to the respective experts and reviewers of the book for significant and valuable contributions made both for the quality of course content and course support material in terms of constructive remarks for improvement, and also colleagues. Project team and administrative personnel is appreciated for contributions throughout the entire project implementation process and for their considerable support in reaching the final results.

TABLE OF CONTENTS

INTRODUCTION

This book provides methodological guidelines for the innovative seminars throughout the course of Quality Management in Master's degree programs. It specifically addresses the CSR focused proactive engagement of primary higher education quality stakeholders (i.e. Master's degree students) in the process of managing quality and performance excellence particularly at universities through participatory active learning methods: problem-based learning, discussion-based teaching, brainstorming, panel discussions, exploratory practical tasks based on critical analysis.

The following topics are covered throughout the course, including lectures and seminars:

1. Introduction to quality: foundations of quality management;
2. Evolution of quality management: from product quality to performance excellence;
3. Customer focus: internal and external quality stakeholders;
4. Workforce focus: human resource management (HRM) for quality and performance excellence;
5. Process focus: understanding the process approach methodology;
6. Modern tools and techniques for quality management;
7. Design for quality and product/process excellence;
8. Measuring and controlling quality;
9. Continuous improvement;
10. Course summary: performance excellence in the twenty-first century organisation.

Each topic in these methodological guidelines is developed as follows:

Conspectus – gives summary of core issues to be covered during the theoretical studies: lectures and individual readings (theoretical prerequisites for the topic).

Learning tasks – particular tasks focused to acquire required abilities and develop practical skills in managing quality and performance excellence in the twenty-first century organisations. Learning tasks are arranged continuously and implemented step-by-step in line with each topic, with the core final objective to develop a CSR-based (integrity: bottom-up approach) project (teamwork) for a particular study programme's quality assessment and improvement:

Preparatory step A: brainstorming – quality concept map for a study programme;

Preparatory step B: literature analysis and synthesis, exploratory methods (practical tasks: collection and accumulation of scientific information, critical analysis, summary), critical analysis of quality and quality management understanding in different quality conceptions; critical analysis and evaluation of modern scientific quality management investigations and identification of classical quality conceptions;

Step 1: Development of a study programme's quality stakeholders' analysis matrix;

Step 2: HRM principles and criteria for quality assurance of a study programme;

Step 3: Development of a study programme process map;

Step 4: Self-assessment of study programme quality, formulation of quality vision and main targets for the study programme;

Step 5: Innovative design development for study programme;

Step 6: Calculation of study programme quality costs;

Step 7: Identification of quality gaps in study programme process (map); development of proposals for continual improvement of the study programme.

Assessment to be performed during the last seminar - presentation of prepared innovative CSR-based quality management project for the study programme.

Support material – readings and cases arranged for problem-based learning with particular material to study and discuss (critical analysis) regarding the topic covered; implemented before (in line with) starting the learning tasks.

Further reading – theoretical prerequisites (required reading) and additional study material (recommended reading) for particular topic.

Self-check tasks – task for engaging in self-assessment.

Each topic is developed with continuous learning tasks, addressed to acquire demanded competencies for managing quality and performance excellence and develop skills for finding innovative CSR-based quality management solutions for particular quality programme development.

1. INTRODUCTION TO QUALITY: FOUNDATIONS OF QUALITY MANAGEMENT

Conspectus

- Quality from management theories' perspective
- Defining quality
- Judgmental perspective
- Product-based perspective
- User- based perspective
- Value- based perspective
- Manufacturing-based perspective
- Integrating perspectives on quality
- Customer-driven quality
- Quality as a management framework

Learning tasks

1. Read the text on the approaches to the concept of quality of higher education.
2. Look through the given concept maps, compare and discuss the interconnectivity and dependency among major quality elements and results of increased quality of education in general.
3. Brainstorm and develop a general quality concept map for higher education and specify a quality concept map for your study programme.

Support material

DEFINITIONS

Brainstorming – a group problem-solving technique that involves the spontaneous generation of ideas by all group members.

Concept maps are graphical tools for organising and representing knowledge. They have two key components: "concepts" and "linking words" (also referred to as 'linking phrases'). Linking words are used to join two or more concepts, thereby forming propositions (Canas & Novak, 2009).

It is widely recognised by scholars and practitioners that both the concepts of quality and corporate social responsibility (CSR) are relatively confusing. Furthermore, defining quality with integrated CSR principals delivers a number of questions to be answered. Practical experiences propose how general applicability of particular definition (e.g. quality) in different contexts usually further demonstrates its observed limitations to address measurable outcomes. And this does create much confusion in finding the appropriate tolls and techniques in quality management improvement decisions, moreover – in measurement. In fact, the reason is quite simple: quality and CSR means diverse things for different individuals, groups of individuals and organisations.

1.1. Defining concepts for complex phenomena

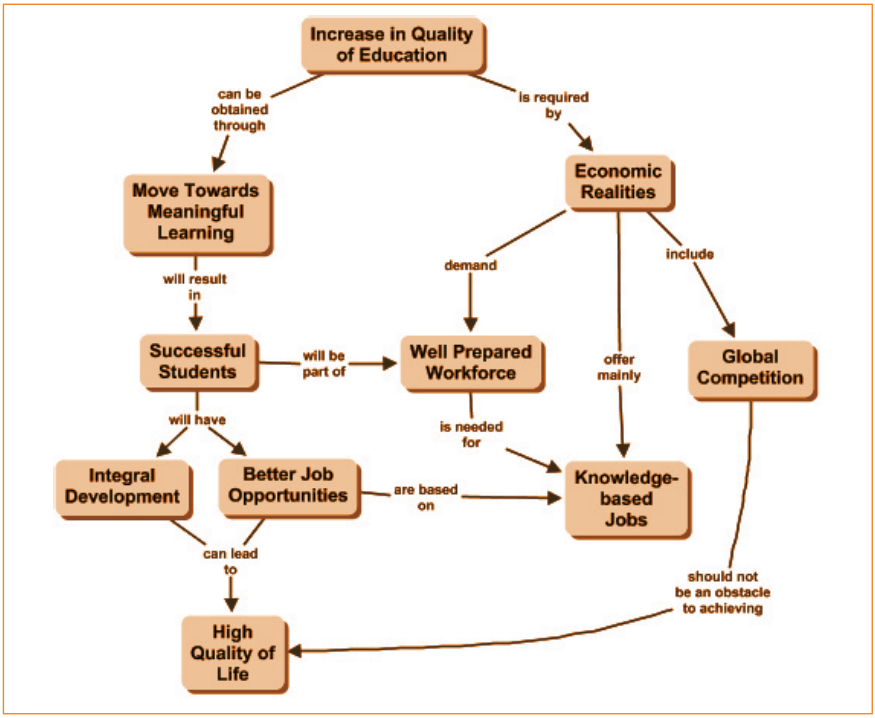
In a range of discourses, the concept of quality varies depending on the object and subject of research or the phenomena to investigate. According to CSR discourse in higher education, quality is one of those complex phenomena. Parri (2006) states that "the guiding principle is that the more complex, many-folded or abstract the object under quality measurement is, the more difficult it is to come up with a satisfactory definition. The reason why it is not possible to find the one and only definition for higher education in literature lies in the fact that higher education is one of these objects" (p. 107).

Therefore, the very first step in managing for CSR integrated quality and performance excellence is to define the exact characteristics of the object to be improved perfectly properly. The best way to do this is to engage in this process those to whom the quality is addressed together with those by whom the quality and performance excellence is desired.

Methodologists worldwide provide a number of tools and techniques to define such complex concepts as quality and CSR. One of them is concept maps. Canas and Novak (2009) define concept maps as "graphical tools for organizing and representing knowledge that explicitly express a person or group of persons' understanding about a domain". They state, that usually concept maps have two key components: "concepts" and "linking words" (also referred to as "linking phrases"). Concepts are normally joined by linking words, which help in forming propositions. From their experience, researchers observe that object-type concepts usually lead to more descriptive

and often classificatory concept maps. With the aim to develop a more explanatory concept map, concepts might be replaced by events.

For instance, in order to find out the input for an outcome of "high quality of life", we find a general input, namely "increase in quality of education" (see Figure 1.1).



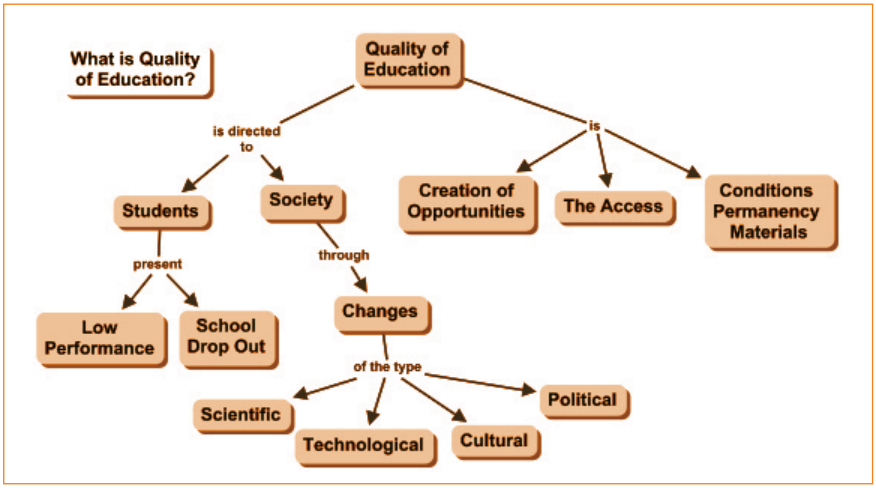
Source: Canas & Novak, 2009.

Fig. 1.1. Concept map on the increase in quality of education

In the proposed concept map (Figure 1.1), the concepts of "Increase in Quality of Education" and "Move Towards Meaningful Learning" are events interconnected with linking words, e.g. "can be obtained through", "will result in", etc. Indeed, it shows how increase in quality of education comes to integral development, which causes high quality of life as a desirable outcome of CSR.

Canas and Novak (2009) propose the formulation of a focus question, which usually helps in delineating the simplified context for a particular

complex concept map; the focus question helps in clear specification of the problem or particular issue to resolve. Continual research by Canas et al. (2005) in concept maps reveals that its structures might indicate the level of thinking expressed in the map (see Figures 1.2 and 1.3).

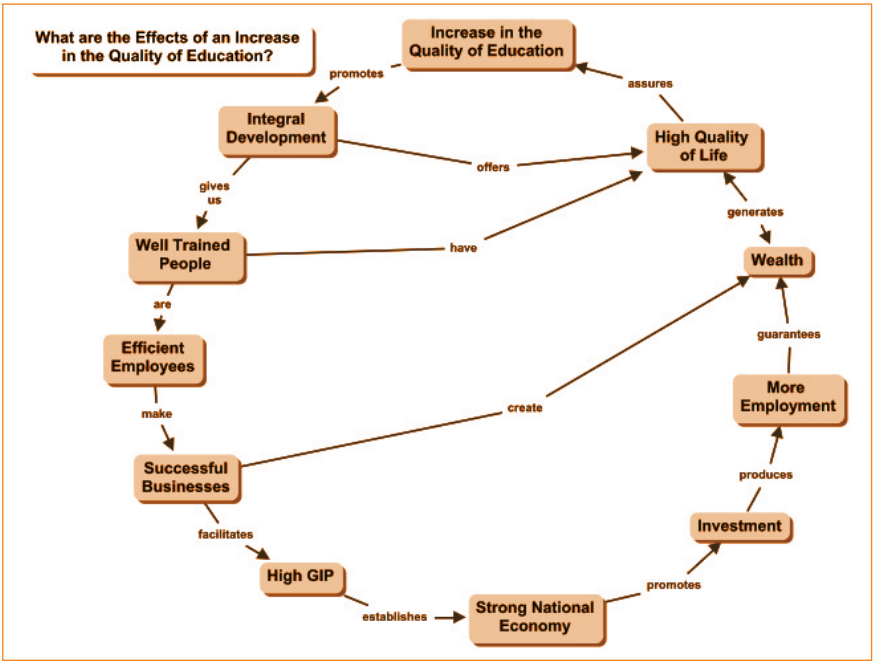


Source: Canas & Novak, 2009.

Fig. 1.2. Tree-structure quality of an education concept map generated from a static focus question

Tree-structure quality concept map (see Fig. 1.2) usually shows particular limitations for the formulation of the static focus question. The proposed example refers to the static focus question "What is Quality of Education?". Therefore, it gives an opportunity at most to develop the structure of how the system is built up, but does not provide options for identifying interconnectivity between concepts and linking actions. Thus, it eventually causes difficulties in finding appropriate tolls and techniques in quality improvement decisions.

Circular-structure concept maps (see Fig. 1.3) are usually developed from a dynamic focus question, e.g. "What are the Effects of an Increase in the Quality of Education?" and a root concept of "Increase in Quality of Education" (an event). Therefore, circular concept maps illustrate system-like approach towards quality and lead to significantly more instances of meaningful or dynamic managing for quality and performance excellence propositions.



Source: Canas & Novak, 2009.

Fig. 1.3. Cyclic concept map generated from a dynamic focus question and a quantified root concept

The proposed concept maps illustrate a range of stakeholders concerned with quality issues in education as a whole. However, considering the fact that primary stakeholders for quality in higher education for performance excellence are students and academic community, it is reasonable to engage them in mapping quality for a particular environment, i.e. the university they belong to. Accordingly, there are particular approaches distinguished to the concept of quality and CSR in higher education they might address. Those are important in formulating focus questions.

1.2. Views on quality concept in higher education

Throughout the evolution of quality, the so-called "quality gurus" developed a number of definitions for quality which emphasise their different approaches. Particular modifications with reflection to quality classics might

be found in higher education discourse from holistic CSR integrated point of view. Some of the attitudes towards quality in higher education are proposed by Parri (2006) and later on developed by International Institute for Educational Planning (UNESCO)[1] in 2011 ('IIEP'). Parri (2006) distinguished the following approaches to the concept of quality of higher education:

- quality as special or unique;
- quality as refinement;
- quality as goal-compliance;
- quality as worth the price;
- quality as changing and reshaping.

IIEP proposes five approaches on quality in higher education close to the above-mentioned ones, based on Green (1994) investigations:

- excellence, exceptionality (highest standards);
- conformity to common standards;
- fitness for purpose to be achieved;
- effectiveness in the process of institutional goals achievement;
- meeting customers' (stakeholders') proposed and implied needs.

Quality as excellence, exceptionality (highest standards). Highest standards and exceptionality comes mostly from the traditional concept of quality. An institution that demonstrates exceptionality and highest standards from this point of view is recognised as a quality institution. These statements usually set the goals for universities and academic communities to be always the best. This approach usually proposes practical problems for quality assurance agencies as it does not set worldwide standards for quality measurement. As stated by IIEP (2011), "there may be some institutions within a system which choose to be assessed against criteria of excellence (such as flagship universities)". However, excellence is not an appropriate way to define quality in higher education due to its limitations to be applied in the whole higher education system. In most cases, quality as excellence is applicable for "excellence awards" and, indeed, for identification of a very few higher education institutions.

1 External quality assurance: options for higher education managers. International Institute for Educational Planning (UNESCO). Available at: http://www.iiep.unesco.org/fileadmin/user_upload/Cap_Dev_Training/Training_Materials/HigherEd/EQA_HE_4.pdf

Quality as conformance to common standards. This view originated from quality control approach in manufacturing. Standard in this context refers to particular indicated specifications and/or stakeholder expectations to be fulfilled. A higher education institution is considered a quality institution as long as it meets the pre-determined standards and requirements. As explained by the IIEP (2011), "this approach is followed by most regulatory bodies for ensuring that institutions or programmes meet certain threshold levels". Usually the 'conformity to standards' approach is applied in approval to start particular study programmes (e.g. in Lithuania, this is performed by the Centre for Quality Assessment in Higher Education) or to recognise a particular status or funding depending on the context.

Quality as fitness for purpose. This approach views quality as a particular purpose to be achieved with products or services. Parri (2006) states that "this is the definition used most frequently regarding higher education. According to this concept, we have to decide to what extent the service or product meets the goals set". However, IIEP (2011) elucidates the respective limitations for defining quality as fitness for purpose in higher education. First, fitness for purpose might be considered as a quality system based on simple computation; and second, it does not propose by whom the purpose is determined: by the particular group of stakeholders, by the institution itself or by the government. Therefore, it usually depends on the context in which quality is viewed.

Quality as effectiveness in the process of institutional goals' achievement. IIEP (2011) recognises this being another approach of the "fitness-for-purpose". The distinguishing feature is that in this view, an institution determines appropriate purposes itself. Accordingly, high quality institutions are the ones with clearly stated missions and the ones that are effective in achieving it with appropriate goals. Some issues might be raised: the way an institution sets its goals and how appropriate they are. Parri (2006) goes deeper within this approach by referring to Westerheijden's (1998) understanding who sees that in higher education "everything goes" as long as the proper goal is found, and the biggest pitfall of the goal is the compliance approach. This stands for the reason why it is vitally important to add that quality is compliance with higher education goals. Another observed weakness regarding this approach is the following: while focusing on the goal of compliance measurement, paying attention to whether the goal is

relevant might be missed. Therefore, it is proposed to identify the relevance of the goal first and then start analysing the extent to which it has been met.

Quality as meeting customers' (stakeholders') proposed and implied needs. IIEP (2011) states this being another direction from "fitness-for-purpose" and is mainly concentrated on the purpose to meet customer needs and achieve their satisfaction. This view on quality is mostly criticised for the raised issue of discrepancy, i.e. what is good for the customer and what is expected by the customer to be good. It is quite frequently observed in many discussions regarding quality of higher education raised by students. The dialogue is urgent for most of such cases. It is recommended to implement dialogues among multiple stakeholder groups (e.g. government, students, parents, etc.). The main aim is to determine reliable balance between customer needs and satisfaction, available to be supplied by the higher education institution.

Quality as value for money. This approach has been proposed by Harvey Green (1993) and sees quality in terms of return on investment. The "customer" has a quality product or service in two ways: first, if better outcome can be achieved at the same cost; and second, the same outcome can be achieved at a lower cost. The value-for-money approach is reflected by a growing tendency to require accountability from higher education. At the same time, students increasingly require value-for-money due to their increased cost of higher education. Lately, this does boost the number of issues raised by students regarding quality in higher education. Such statements as "quality for reasonable price" and "quality at an affordable price" usually mean promised high quality at a reduced price. Parri (2006) finds this opposite of the blind faith "you get what you pay for" from the perfect competition market. Therefore, the responsibility aspect of quality assurance is the essence of this approach.

However, the University of Cambridge (2010) follows the Higher Education Funding Council for England (–'HEFCE'), which described 'value for money' as follows: "Value for money" (VFM) is a term used to assess whether or not an organization has obtained the maximum benefit from the goods and services it both acquires and provides, within the resources available to it. Some elements may be subjective, difficult to measure, intangible and misunderstood. Judgment is therefore required when considering whether VFM has been satisfactorily achieved or not. It not only measures the cost of goods and services, but also takes account of

the mix of quality, cost, resource use, fitness for purpose, timeliness, and convenience to judge whether or not, together, they constitute good value".

Quality as Education for Sustainability. In 2012, HEFCE issued the "Guide to Quality and Education for Sustainability in Higher Education"[2]. It is important to state from a conceptual basis on quality and CSR that the terms "quality" and "quality systems" in the context of this Guide refer to the principles and routines that underpin all forms of curriculum development and delivery in higher education. From a CSR-based perspective towards quality in higher education, the Guide proposes CSR integrated system for curriculum development in higher education.

As stated by HEFCE, the above-mentioned terms (i.e. quality and quality systems) mainly embrace two inter-connected aspects of quality, latterly known as "quality assurance" and "quality enhancement". Quality as enhancement, as stated by Parri (2006), mainly "focuses on the constant development and raise of quality that is primarily the task of the academic personnel", and therefore "the given concept stresses academic freedom and autonomy of university in quality assurance".

The Guide was developed with the purpose to introduce education for sustainable development into quality assurance and enhancement practices. This was an attempt to make connections between education for sustainability and the practice of quality assurance and enhancement in the higher education curriculum. Lately, the initiative has taken new steps to develop sector frameworks that will support the development of education for sustainable development as a cross-cutting curriculum agenda, and has also resulted in new inter-agency collaboration in this area.

Further reading

Required reading:

1. Kaziliūnas, Adolfas. Kokybės vadyba. vadovėlis / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p. lent. ISBN 9789955190714.- p.15-52.
2. Vanagas, Povilas. Visuotinės kokybės vadyba. vadovėlis / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.15-38.

2 Guide to Quality and Education for Sustainability in Higher Education (2012). More information available at: http://efsandquality.glos.ac.uk/

Recommended reading:

1. Evans, J.R.; Lindsay, W.M. (2013). Managing for Quality and Performance Excellence, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part I.
2. Adetule, P.J. (2011). The Handbook on Management Theories. AuthorHouse.
3. Kaziliunas, A. (2006). Kokybės analize, planavimas ir auditas. Vilnius: MRU leidybos centras.
4. Stoner, J.A.F. (2005). Vadyba. 4th ed. Kaunas: Poligrafija ir informatika.
5. Taylor, F.W. (2005). The Principles of Scientific Management. New York, NY, USA and London, UK: Harper & Brothers, Also available from Project Gutenberg./ Taylor, Frederick Winslow. Moksliniai valdymo principai = The principles of scientific management / Frederick Winslow Taylor; translated from English by Vladimiras Obrazcovas. Vilnius: Eugrimas.
6. Goetsch, D.L.; Davis, S.B. (2013). Quality Management for Organizational Excellence– Introduction to Total Quality. International Edition. 7th ed. Pearson Education, Limited.
7. Avery, Ch., Zabel, D. (2013). Quality Management Sourcebook. Routledge.

Topic self-check tasks

1. How would you define quality?
2. Describe the object of quality management.
3. What are the main attitudes towards different quality conceptions?
4. Which F. Taylor's principles have a positive and negative impact on quality management?
5. What are the main investigations by F. Gilbreth concerning labour quality improvement?
6. What factors of H. Ford's production management system has a positive and/ or negative impact on quality?
7. What is the contribution of H.Gantt towards quality management?
8. Which of the management principles elaborated by H. Fayol are similar to quality management principles?
9. Who has justified benefits of team-work?
10. How Weber's 'Bureaucratic Approach' may contribute to quality management?

11. How behavioural management theory contributes to total quality management?
12. How the following approaches are connected with modern quality management: systems approach, socio-technical approach and the contingency or situational approach?
13. How can you define quality management aspects from the particular organisational theory perspective?

2. EVOLUTION OF QUALITY MANAGEMENT: FROM PRODUCT QUALITY TO PERFORMANCE EXCELLENCE

Conspectus

- Managing for quality in ancient times
- Industrial revolution and the emergence of quality problems
- Statistical quality control stage: "Quality revolution" in Japan (E. Deming; K. Ishikawa; J. Juran, G. Taguchi);
- Quality assurance stage: quality costs, total quality management, zero defects;
- Total Quality Management stage: "Quality revolution" in USA (The Malcolm Baldridge National Quality Improvement Act; Stevenson-Wydler Technology Innovation; Federal Quality Prototype Award; President's Award governmental agencies); Ph.Crosby;
- Quality management contribution towards economic development;
- International and regional quality assurance organisations in general and in higher education in particular;
- European quality management policy and quality development programmes; quality management policy and quality development programmes in Lithuania;
- Managing for quality in the twenty-first century: current and future challenges for quality

Learning tasks

1. Choose at least two different classical quality conceptions for analysis, compare and summarise the understanding of quality and quality management from its perspectives;
2. Implement critical analysis of modern scientific quality management investigations (select a particular scientific article) and identify its attitudes towards classical quality conceptions (individual work, written assignment).

Support material

The emergence of crucial paradigm on *corporate social responsibility* (CSR) encompasses the need for shared social, economic and environmental responsibilities of all sectors and stakeholders due to their attitudes for durable world's future, better business, governance and society and better management, i.e. socially responsible management. It tends to be the basis for the new stage in management thought, the stage moving towards holistic management systems.

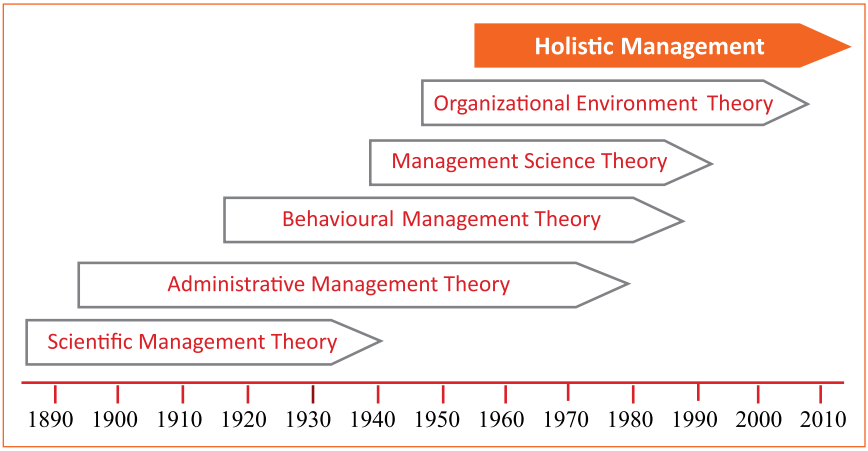
2.1. Debate under schools of management thought

At present, anyone involved in management science and practice may address their own view under particular consequences of each of the respective schools of management thought and its different assumptions, addressed to explain particular problems related to human beings and the organisations for which they work. Now it seems obvious that since the formal study of management that began late in the nineteenth century, the study of management has progressed through several stages as scholars and practitioners working in different areas focused on what they believed to be important aspects of good management practice. Over time, management thinkers have sought ways to organise and classify voluminous information about management that has been collected and disseminated. Consequently, these attempts at classification have resulted in the identification of management schools and evolution of management theories.

Despite the long debate, there still exists some confusion and disagreement related to the exact number of management schools and intersection between them. For instance, different scholars have identified as few as three and as many as twelve management schools. However, the evolution of a management theory encompasses less confusion. There is common agreement between scholars as to five major management theories (see Figure 1):

- Scientific Management,
- Administrative Management,
- Behavioural Management,
- Management Science,
- Organisational Environment Theory.

The evolution of modern management began in the closing decades of the nineteenth century, after the industrial revolution in Europe, Canada, and the United States (Robbins, Coulter, 2007). In the changing economic, technical and cultural environment, managers of all types of organisations, including political, educational, and economic organisations, were increasingly trying to find better ways to satisfy customers' needs.



Source: modified by author, based on Robbins and Coulter, 2007.

Fig. 2.1. Evolution in Management Theory

Adam Smith (1723-1790), famous in the world as an economist, was one of the first who looked at different outcomes of separate manufacturing systems. He concluded with evidence how increased level of job specialisation at the same time increased efficiency; normally this led to higher organisational performance. Regarding these findings, in the early stages of development of the management thought, both management theorists and practitioners bended for organisation and control of the work process with the aim to maximise the advantages of job specialisation and the division of labour. Nearly half a century forward Frederick W. Taylor (1856–1915) defined the techniques of *Scientific Management*. His continuous systematic studies we concentrated on the relationship among people and tasks with the final aim of increasing efficiency by redesigned work process. F.W. Taylor is considered to be the father of management thought.

Robbins and Coulter (2007) observe that "side by side with scientific managers studying the person-task mix to increase efficiency, other researchers were focusing on *Administrative Management*, the study of how to create an organizational structure that leads to high efficiency and effectiveness. Organizational structure was described as the system of task and authority relationships that control how employees use resources to achieve the organization's goals". Two of the well-known most influential views regarding the creation of efficient systems of organisational administration were developed in Europe by Max Weber (1864-1920), and Henri Fayol (1841-1925).

The *Behavioural Management* writings in the first half of the twentieth century focused on how managers should personally behave aiming to motivate employees and encourage them to perform at high levels and be committed to the achievement of organisational goals. Mary Parker Follett (1868–1933) started a significant debate in management thought. She argued mainly about the way of management concerning managers' perceptions of workers', or the way managers should act and behave with them. Follett's concern was tailored to Taylor's ignorance of the human aspect with its relation to effectiveness in management.

Management Science Theory stands for contemporary approach to management. It employs a number of quantitative measures and techniques to maximise the use of organisational resources in producing goods and services. Thus, this was the proposed way for managers to maximise efficiency. As stated by Robbins and Coulter (2007), in its essence, management science theory is a contemporary extension of scientific management. Management science theory also took a quantitative approach due to the fact that it was also developed by Taylor. Quantitative measures are applied to measure the worker-task mix with the focus on increasing efficiency.

Organizational Environment Theory appeared when studying the environment became relevant after the development of open-systems theory and contingency theory during the 1960s. Since the emergence of very first outcomes tailored to industrial revolution it became an issue of importance for managers as to how internal organisational behaviour interacted with its external environment. Organisational environment was recognised in terms of manager's abilities to acquire and utilise resources in their broad sense (e.g. the raw materials and skilled people). One way for determining the relative success of an organisation is to consider how effective its managers are at obtaining scarce and valuable resources.

Summarising the evolution of management thought, it should be stated that the formal study of management is largely a twentieth-century phenomenon, and to some degree a relatively large number of management schools of thought reflect the lack of consensus among management scholars as to basic questions of theory and practice.

Nowadays, management research and practice continues to evolve and new approaches to the study of management continue to be advanced. However, the beginning of the twenty-first century seems to be the most confusing stage in the evolution of management thought. Recent challenges of the globalised world naturally form the gap between the above-mentioned modern management theories and thoughts. The uncovered mixture of various attitudes from different management approaches reveals urgent discussions of changing management conditions both in theory and practice. Therefore, a new era is already opened for the new development stage in management thought, called *Holistic Management Systems,* latterly proposed by Alan Savory (born in 1935).

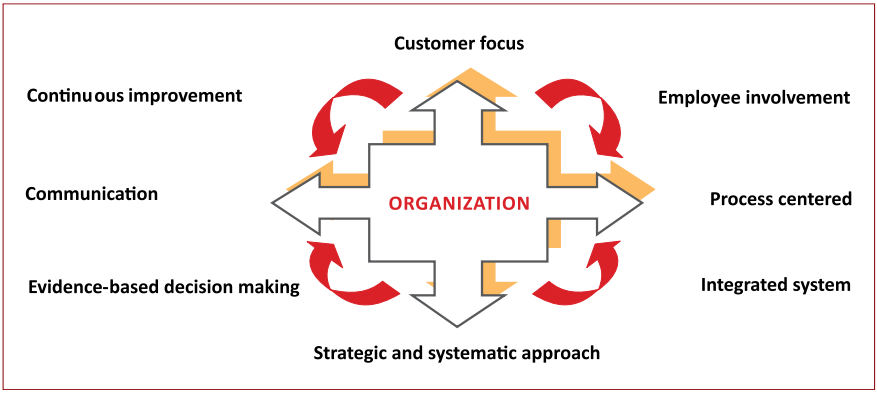
2.2. Evolution of quality and the emerging stage in management thought

One of the most important issues for this discussion under emerging new stage in management thought is the particular branch of *management science* theory, i.e. *total quality management* (TQM), which focuses on analysing an organisation's input, conversion, and output activities to increase product quality (Dale, 2003).

The TQM contemporary understanding is proposed by Business Excellence (2011) and is focused on 8 principles (see Figure 2):

1. *Customer focus*: only customers determine the level of quality; quality improvement is fostered by training employees, integrating quality into processes management, only customers determine whether the efforts were worthwhile.
2. *Total employee involvement*: fear from workplace should be removed, then employees should be empowered; thus the proper environment is created.
3. *Process-centered:* fundamental part of TQM is to focus on process thinking.

4. *Integrated system*: all employee must know the business mission and vision; an integrated business system may be modelled, e.g. by ISO 9000.
5. *Strategic and systematic approach*: strategic plan must integrate quality as core component.
6. *Continuous improvement:* using analytical, quality tools, and creative thinking to become more efficient and effective.
7. *Fact-based decision making (or evidence-based)*: decision making must be only on qualitative and quantitative data, not subjective personal or situational thinking.
8. *Communication:* communication strategy, method and timeliness must be well defined.



Source: Business Excellence, 2011.

Fig. 2.2. The principles of total quality management

These principles highly reflect the contemporary view on quality as customer defined condition of goods or services, focusing the quality as value creation for both the customer and the organisation. However, contemporary management practice, in line with focus towards customer satisfaction, has begun to focus on environment as one of the excellent quality conditions. It is primarily based on the changing (i.e. rising) customer requirements. Recently, customers more and more often evaluate the quality of a product or service facing environment-friendly conditions. Herein, aiming to explain

the changing management thought, we find it useful to employ another management theory, the one that takes the environment into account.

Therefore, other important inputs for encompassing the new stage in management thought are found in specific aspects in branches of *Organizational Environment* theory. Organisation from *Open-Systems View* as a system that takes in resources from its external environment and converts or transforms them into goods and services that are then sent back to that environment causes particular effects. Consequently, this view opens a discourse on the feedback, i.e. the responsibility to take from and give back to the environment responsively. In parallel, the *Contingency Theory* idea suggests that manager decisions on organisational structures and organised appropriate control systems mainly depends on the external environment characteristics in which the organisation operates. Accordingly, the extremely changing external environment is a condition under which modified structures go into action, of course, primarily under managers' [voluntary] decisions.

In line with the management science theory, systems and contingency schools of management thought, Bowen's (1953) seminal work on social responsibility inaugurated the modern thinking period in management and CSR. Large debate on the nature of topic has developed in the academic literature on management (Carroll, 1979, 1991, 1999; Van Marrewijk, 2003; Wartick And Cochran, 1985); academics and practitioners seem to have renewed their interest in the topic (Lee, 2008; Maimunah, 2009; Matten and Crane, 2005; Crowther And Aras, 2008.), propitiating a plethora of theories, perspectives and terminology (Garriga And Melé, 2004), which causes confusion when attempting to deeply understand the notion.

Looking backwards, closer to the quality roots of management, over a half-century ago quality gurus E. Deming and J.Juran encouraged organisations to ask better questions about corporate challenges and enabled companies to redesign systems for improvement. First of all, starting with the systems approach, afterwards they grounded quality on practical analytical tools with the aim to foster product, service, and organisational improvements.

Despite the fact that quality tools have been used for decades to create lean operations by industry, reduce waste and improve efficiency, in relation to the above-mentioned paradigm of CSR, they have not been widely recognised yet. Numbers of proposed CSR frameworks nowadays

encourage businesses leaders to start thinking about possible impacts on stakeholders, society, and the environment, and, furthermore, about the feedback on outputs of managerial decisions. Currently, the main focus is placed on appropriate measurement and reporting of the achieved results of improvement. This is a new question of quality and CSR, and a new question for business managers: how to create shared total quality and act socially responsible while remaining profitable at the same time?

2.3. Shared concepts between quality and CSR

The intersection between CSR and quality due to the response on changing management conditions in the twenty-first century may first of all be explored from the starting definitional position. Total quality management (TQM) is a particular management philosophy and methods through which an entire organisation develops in line with the development of all employees and activities aiming to meet customer needs better, by improving product quality and reducing costs. The two main components are (Sapru and Schuchard, 2011):

- *Design quality* ("fitness for use"): set of features specified in design to meet the requirement of the customer; dimensions can include performance, features, reliability, durability, serviceability, aesthetics, and perceived quality.
- *Process quality* ("conformance quality"): Reliability and freedom of defects in terms of dimensional tolerances and/or service error rates.

CSR is most often described as including both outcomes and processes in environmental, social/ethical, economic dimensions and corporate governance issues. Sapru and Schuchard (2011) propose three main components of CSR to be addressed in relation to TQM:

- *Activities*: corporate responsibility activities in most cases become evident in the long run and lead to concrete returns on investment; effect of TQM implementation also takes time.
- *Systems:* some management systems that embrace corporate responsibility and TQM are arranged under particular common standards (i.e. SA8000; ISO9001; ISO14001; ISO26000; OHSAS18001, etc.); all of these usually lead to better decision-

making and at the same time ultimately help in developing efficient and effective organisation.

- *Vision:* there is a broad potential of social dialogue in aligning stakeholder interests both from the society and business in the organisations' vision; CSR and TQM supplement each other in aligning the vision for future prospects of the entire organisation.

As observed above, there is no strong link between core values and concepts of quality and CSR. In addition, there are several common issues; for those CSR and quality already share an interest. The benefit from a quality framework might be observed in a variety of CSR issues and applications. In most cases, these are a range of tactical-level tools and approaches that already help CSR leaders develop stronger cases for action. At the same time, holistic programmes on a variety of CSR and TQM issues for improvement are organised. Sapru and Schuchard (2011) state that "often, where there is proactive management of quality, CSR is nearby". They give an example, how typical quality aims of zero-waste are consistent with activities to reduce GHG emissions. At the same time, they observe how "a lack of quality has shown to be detrimental to environmental and social performance, as the recent BP oil spill testifies. In this case, CSR and quality provide complimentary perspectives. CSR typically explores the business case of lower costs of avoidance (e.g., through implementing a culture of safety versus the cost of disaster) while quality hones in on the use of - or lack of - a robust failure mode and effects analysis to adequately address process shortcomings. Disasters provide a narrow but instructive example." (Chase, Aquilano, 2006).

An overview of quality and CSR frameworks elucidates the respective interconnectivity outlines: failed management systems and governance are correlated to gross corporate failures. Going backwards, the above-listed principles and definitions were proposed by quality gurus Feigenbaum, Crosby, Taguchi, and Deming throughout the entire quality movement. As stated by Global Voice of Quality (ASQ), "that times much like today resource constraints are a vastly growing concern; then, quality was a frame that companies latched onto when they had to." Today, after periods of recession, we can both spectate or investigate the benefits as outcomes of CSR and TQM integrated management systems. Many leaders demonstrate how their business case for CSR and quality helped survive and even become stronger throughout the times of economic crisis. Therefore, these systems

are increasingly integrated into activities of organisations from all sectors worldwide.

Further reading

Required reading:

1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p. : lent. ISBN 9789955190714.- p.53-81.
2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p.39-105.
3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part I.

Recommended reading:

1. Knowles, G. (2012). *Managing Quality in The 21st Century: Principles and Practice*. Graeme Knowles & Ventus Publishing ApS.- p.11-18.
2. Goetsch, D.L.; Davis, S.B. (2013). *Quality Management for Organizational Excellence– Introduction to Total Quality*. International Edition. 7th ed. Pearson Education, Limited.
3. Juran, J.M. (2010). *Juran's Quality Handbook: The Complete Guide to Performance Excellence.* 6th ed. McGraw-Hill Professional, New York.
4. Oakland, J.S.S. (2012). *Oakland on Quality Management*. 3rd ed. Routledge.
5. Oakland, J.S.S. (2012). *TQM: Text with Cases*. Routledge.
6. Sapru, R.; Schuchard, R. (2011). *CSR and Quality: A Powerful and Untapped Connection. The Global Voice of Quality*. ASQ and BSR Quality Press.

Topic self-check tasks

1. What was the role played by the pursuit of quality in a series of historical shifts in thinking and approach?
2. When is it easier to achieve quality from an organisational point of view: in ancient or in current times?

3. Which modern quality management principles can be found in ancient civilisations?
4. What was the impact of industrial revolution on employment effectiveness from quality perspective?
5. Can you describe the main features of statistical quality control methods?
6. What are the advantages and disadvantages of high-level job share?
7. What caused quality developments in 1950s in Japan?
8. How would you describe the conditions for total quality management development?
9. How the concept of "Quality revolution in the USA" originated?
10. Give several examples of quality management contribution towards economic development.
11. What are the main changes in the public sector institutions after they implement total quality management principles?
12. What can we learn from foreign quality management best practice cases?
13. Which of foreign best quality management practices might be applied in the Lithuanian higher education system? Why?
14. What initiatives, agreements and organisations for international and regional quality assurance you are aware of?
15. Who established the European Foundation for Quality Management and when was it established? What are the main EFQM responsibility areas?
16. What is the mission and responsibilities of the European Organization for Quality?
17. On which main ideas is the quality vision of Europe based?
18. What are the similarities and differences of the Lithuanian quality management policy, as compared to other countries?
19. What is the impact of quality in the innovations age?
20. What are the main challenges for managing quality in the twenty-first century, i.e. in the innovations age?

3. CUSTOMER FOCUS: INTERNAL AND EXTERNAL QUALITY STAKEHOLDERS

Conspectus

- Stakeholder definition and classification
- Key people, groups of people and institutions influencing the achievement of quality targets
- Conducting the stakeholder analysis – early stage of quality improvement planning
- Stakeholder analysis
- Identification of people, groups, and institutions that will influence quality (either positively or negatively)
- Anticipation of the kind of influence, positive or negative, these groups will have on quality
- Developing effective strategies for the quality programme.
- External stakeholder satisfaction
- Internal stakeholder satisfaction
- Stakeholder satisfaction assessment (Swedish Customer Satisfaction Index; American Customer Satisfaction Index; European Customer Satisfaction Index)

Learning tasks

1. Read and discuss the proposed topic support material.
2. Brainstorm your study programme stakeholders and develop a study programme stakeholder map.
3. Develop your study programme‘s quality stakeholder matrix (team work).
4. Write the first part of your study programme quality improvement project: “1. Internal and external X study programme quality stakeholders”.

Support material

DEFINITIONS

Stakeholders are individuals or groups of individuals who have an impact on or are affected by the activities, products or services of a company or any other organisation.

Mapping stakeholders means identifying the expectations and powers of the each rights bearing group. This helps establishing political priorities whilst keeping a global vision of possible interactions between groups.

With the aim to perform sustainably, organisations firstly are concerned with the research in their environment. It is important to examine all actors around – local and global – in their sphere of activity. The very first step to be implemented is stakeholder identification. This step is followed by establishing hierarchy between them. Therefore, it is vitally important to identify their attitudes under interests and influence in terms of expected pressure against the organisation. As an integral part of CSR policies in common practice, stakeholder analysis is applied in a range of organisations, including universities.

3.1. Identification of university stakeholders

The skill of performing a stakeholder analysis is beneficial in all disciplines and various fields of practical activity, as stakeholder analysis is widely used in various management practices. Although Bamberger et al. (2006) propose that stakeholder analysis can be performed at almost any time during project development, implementation, or evaluation in other sources,[3] it is argued that stakeholder analysis should be performed towards the initial stages of the process to increase the benefits of the analysis . Doing so may allow programme implementers to prevent miscommunications about the project or programme objectives by communicating with vested groups at the outset. Early stakeholder analysis may also help overcoming various barriers, such as aggressive public opinion, limited access to perspective populations, thereby saving time and funds.

3 The World Bank Group. (2011). Stakeholder analysis. Anticorruption: Governance and Political Economy. <http://www1.worldbank.org/publicsector/anticorrupt/PoliticalEconomy/stakeholderanalysis.htm>

The underlying logic of CSR policies is that an organisation wishing to engage with stakeholders should choose those that are the most pertinent and/or have most impact on their core activities.

The goal of a stakeholder analysis is not only to identify all relevant stakeholders but also to ascertain the expectations, concerns, and priorities of the stakeholders (Bamberger et al., 2006). The first step in the process is to brainstorm a list of stakeholders, including any and all individuals or groups with interest in the programme or programme outputs (see Table 3.1).

Table 3.1. Types of stakeholders

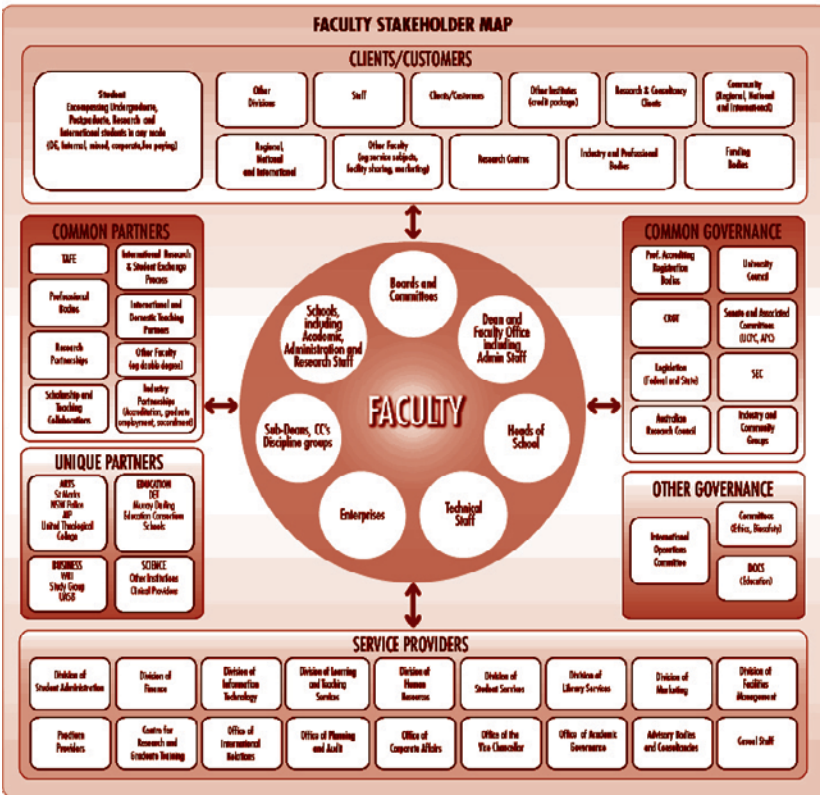
Stakeholders in general	Typical university stakeholders
• the financial community: rating agencies, shareholders, investors • employees and their representatives • customers and consumers • national and local communities • public authorities: governments, professional organisations, public and international organizations • civil society: NGOs, associations, membership and network organisations • suppliers • others: media, training agencies, consultancies	• advisory committees (made up of business and industry personnel) • alumni • foundation members • board of trustees • business and industry • community at-large • high schools (feeder) • employees (to include retired faculty and staff) • parents • prospective students • regional employers • residents of the university service area • state legislators • transfer colleges and universities • taxpayers (for public higher education institutions)

Source: developed by author under CSR Europe, 2008, p.5.

These individuals, groups and organisations may also act as opinion leaders or gatekeepers to valuable information and key informants that are vital to the success of a study programme (Schmeer, 2000).

3.2. Mapping stakeholders

Once organisations are aware of the range of individuals, groups and organisations interacting with them, it is important to organise them into separate categories, according to their expectations, interests, zones or activity and possible impact both for and against the organisation.



Source: Charles Sturt University, 2013.

Fig. 3.1 Charles Sturt University Faculty Stakeholder Map

Stakeholder Maps in most cases elucidate important relationships. It is not only for reporting about possible organisation's internal and external influences for and against quality. It places the entity in question in the centre and then groups relationships according to types. In common practice, each name in the model is linked to the entity in the centre by a relationship. Thus,

they may be related by a service, process or other means. The given example (Fig. 3.1), proposed by Charles Sturt University (2013) is a generic faculty stakeholder view. However, in the centre there might be anyone, including individuals.

Moreover, it is clear enough that identification of relations may be useful in many ways (Charles Sturt University, 2013):

- practices involving questioning (or confrontation)
- practices involving dialogue
- contractual engagements (NGO partnerships, transnational framework agreements)

Therefore, the smooth operation of any CSR policy depends largely on issues related to this hierarchy, which makes it possible (Charles Sturt University, 2013):

globally:

- to introduce constructive dialogue and transparent communication with all stakeholders
- to identify relevant stakeholders based on a breakdown of issues
- to create value for all
- to share expertise with partners

locally:

- to better understand stakeholder expectations and the concerns of various actors while conciliating individual expectations and constraints on both sides
- to clarify its engagement and objectives with respect to stakeholders at the heart of local issues
- to support the CSR action of the organisation, while strengthening community development aimed at continuous progress
- to better structure dialogue with respect to worksites: to adapt dialogue to the needs of different worksites.

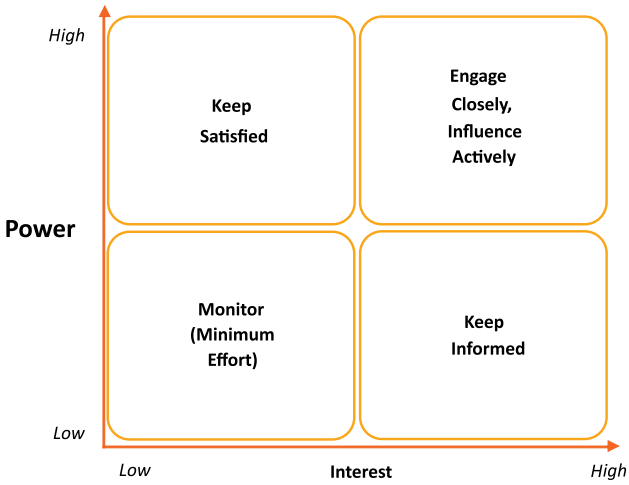
3.3. Stakeholder analysis matrix

The second step in a stakeholder analysis, as proposed by Hyder et al. (2010), is to categorise this list of stakeholders based on the amount of interest they have in the programme and the amount of power an individual or group possesses, as it relates to the programme. There are many methods

proposed in literature for categorisation. One of the methods is to organise stakeholders due to the power and interest they have across a matrix. The matrix below (see Fig. 3.1) shows defined dimensions. Subsequently, the matrix helps covering the amount of contact that should be devoted by programme managers to relevant stakeholders.

The next step is to know more about key programme stakeholders. Usually, it is necessary to collect information on their feelings about and reaction to the particular proposed programme. Thus, it is possible to find out how it is best to engage them in the programme quality management and how to establish communication best.

In some cases, stakeholder categorisation cannot be completed until stakeholder data is collected. Surveys or interviews with stakeholders and also secondary data sources (e.g. literature or existing documents) are also appropriate tools and techniques for data collection (Thompson, 2013). Once the data is collected, the matrix or other form of categorisation might get into action.



Source: R.Thompson, 2013.

Fig. 3.2. Stakeholder analysis matrix: Power/Interest Grid for Stakeholder Prioritization

There are several examples proposed by Schmeer (1999) of how data collected from stakeholders may be used to improve the quality of stakeholder

communication, which in turn improves the quality of the programme. First of all, stakeholder analysis should properly clarify the level of existing knowledge among stakeholders. Graduates' survey responses and/or content analysis of the relevant existing documents in higher education institutions help measuring the awareness of the relevant programme elements. It is suggested to rate this knowledge on a scale to tailor specific communication regarding elements of the evaluation process. This type of rating-accumulated knowledge might be applied in identifying stakeholders that are most or least important in support of the programme or policy implementation. Afterwards, the bi-variate comparison will serve for increasing information regarding the topic to be sent (Schmeer, 1999). The information should be arranged precisely for those least supportive stakeholders with the aim to involve them into the positive position concerning the programme.

Thompson (2013) proposes several key questions that can help understand stakeholders:

- What quality, financial or emotional interest do they have in the outcome of the programme? Is it positive or negative?
- What motivates them most of all?
- What information do they want from programme managers?
- How do they want to receive information? What is the best way of communicating message to them?
- What is their current opinion of the programme? Is it based on good information?
- Who influences their opinions generally, and who influences their opinion of particular programme? Do some of these influencers therefore become important stakeholders in their own right?
- If they are not likely to be positive, what will win them around to support the programme?
- How will you manage their opposition?
- Who else might be influenced by their opinions? Do these people become stakeholders in their own right?

It is suggested to talk directly to relevant stakeholders while finding answers to these questions. Usually people are much more open in a direct interview rather than an electronic questionnaire. At the same time, asking stakeholder opinions is the very first step in building a successful relationship with them further.

Usually all the collected information and the knowledge obtained from different opinions is summarised in the stakeholder map. Thus, it easily becomes evident which stakeholders are likely to be advocates and supporters of your programme or expected to be blockers or critics. Thompson (2013) suggests splitting among these by colour coding: advocates and supporters are usually shown in green; red stands for blockers and critics and others neutral are marked in orange.

For programme implementation or evaluation, in many cases it might be sufficient to simply understand the relationships among stakeholders concerning measures of interest and power. Usually, further decision concerning the need for additional precise stakeholder interests and power analysis will add value for programme managers in further improvements, mainly goals and outcomes.

Once the categories are identified, it is proposed to establish a hierarchy of stakeholders in terms of processes, strategies, etc. It is useful to develop a matrix that serves as an implementation instrument, while specifying the degrees of integration of various stakeholders in the study programme quality management process. Below there is a way, proposed by CSR Europe (2008), of mapping each stakeholder in relation to the whole process from identifying issues to measuring results (see Table 3.2):

Table 3.2 Methods for presentation of stakeholder relations

Stake-holders	**Key Figure**	**Issues raised by stakehold-ers:** **- opportu-nities** **- risks**	**Main dialogue (commu-nication) tools (type of relations)**	**- Engage-ment made** **- Objec-tive to be reached** **- Principles of action**	**- Action imple-mented** **- Results obtained** **- State of advance-ment**
Students					
Staff					
...					

Source: CSR Europe, 2008, p.7.

The last step is to analyse and summarise the observations obtained from the matrixes and apply findings to programme improvement.

Further reading

Required reading:

1. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.125-159.
2. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. Part 1, Chapter 3.
3. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 90-91.

Recommended reading:

1. Freeman, R.E.; Harrison, J.S., Wicks, A.C. (2010). *Stakeholder Theory: The State of the Art*. Cambridge University Press, UK.
2. Freeman, R.E. (2010). *Strategic Management: A Stakeholder Approach.* Cambridge University Press, UK.

Topic self-check tasks

1. Define the general stakeholders of an organisation?
2. How internal and external stakeholders may influence an organisation's quality targets?
3. Is it possible to achieve compatibility of internal and external stakeholders' interests?
4. Describe the internal and external stakeholders of a study programme quality.
5. Why stakeholder analysis should be implemented in the early stages of planning a quality improvement initiative?
6. What techniques might be applied to stakeholder analysis?
7. What are the major steps of stakeholder analysis?
8. Explain, why it is important to identify people, groups, and institutions that will influence quality either positively or negatively?
9. Why we need to anticipate in the kind of influence of stakeholder groups?

10. What are the types of strategies to obtain the most effective support for quality initiative?
11. What are the strategies to reduce any obstacles to successful implementation of a quality programme?
12. Which is more important – external or internal satisfaction of stakeholders?
13. Why Customer Satisfaction Index in important in quality management?
14. Describe the main differences between the Swedish Customer Satisfaction Index, American Customer Satisfaction Index and European Customer Satisfaction Index.

4. WORKFORCE FOCUS: HUMAN RESOURCE MANAGEMENT FOR QUALITY AND PERFORMANCE EXCELLENCE

Conspectus

- The meaning of human resource management (HRM) in quality management
- Strategic planning of human resources for quality
- Organisational climate and organisational culture
- Organisational culture and total participation
- Organisational culture and effectiveness
- Features of organisational culture in total quality management organisations
- Organisational culture changes during total quality management implementation process
- Quantitative and qualitative organisational culture research methods
- How to implement HRM for total quality: alignment; authority; capability; commitment.
- Teamwork principles and organising

Learning tasks

1. Read and discuss the proposed case HRM at Rotterdam School of Management, Erasmus University.
2. Find out the HRM principles and criteria applied for teaching staff of your study programme or a university in general.
3. Develop suggestions for quality improvement in terms of sustainability and CSR under HRM principles and criteria for the staff of your study programme (team work).
4. Arrange the second part of your study programme quality improvement project: "2. HRM principles and criteria for study programme quality improvement".

Support material

Human resource management stands for the core issue in CSR integrated quality improvement and excellence in higher education institutions. Stating that quality increases value for stakeholders of higher education, human resources play critical role in CSR enhancement through proactive talent engagement in CSR-based quality implementation and monitoring in universities.

4.1. Case study: HRM advanced practice at Rotterdam School of Management

Rotterdam School of Management, Erasmus University (RSM) should continue to be a place where people like to work: because of its brand name and status, its career perspectives, support and facilities[4]. This aim is pursued by:

- the execution of effective personnel policies and systems aimed at attracting, developing and keeping the top academic staff;
- a substantial increase in private funding (third and fourth party funding) by further developing executive development programmes and building closer relationships with the corporate world through partnership programmes and tailor-made in-house programmes, thus creating the necessary financial span to attract talent;
- developing an institution-based branding strategy and position RSM Erasmus University as the key place for "leadership development with substance";
- encouraging 'brand pride' and 'pride in the product' among staff, students, faculty and alumni community by emphasising successes;
- strengthening the "RSM community feeling" through effective internal communication;
- investing in personnel development programmes, both for the academic and non-academic staff: tenure track system, transparent P&T system, training programmes, management development

4 With appreciation of Eveline Wijnmaalen, Policy Advisor Accreditations of Rotterdam School of Management. Case study is developed under proposed material by Erasmus University Maintenance of Accreditation Report for AACSB Rotterdam School of Management, Erasmus University, 2008 and 2012.

programmes, etc.; allow for differentiation in salaries based on market conditions;

- raising the level of all support services, including better management information and investment in the professional management of these services.

Rotterdam School of Management, Erasmus university, recognises that the quality of the School is determined by the research and teaching quality of its faculty. The recruitment and retention of the highest quality faculty is, therefore, of crucial importance. 98% of the faculty hold a doctoral degree, which is an important indicator for the School's high academic values. RSM realises that in competing for the best international academics, the relatively low salaries in the Netherlands are a weakness, and that this calls for creativity from our faculty management.

4.2. Faculty HRM policies and instruments

In line with its overall mission to become a leading international business school, RSM has developed the following policies and instruments.

Recruitment and selection process. For each full professor vacancy, the Dean appoints a search committee consisting of both the internal and the external faculty. A search committee is always chaired by a full professor who is not based in the department that has the vacant position. The committee ranks the candidates and recommends to the Dean that the highest-ranked nominee be appointed. After consulting the collegiate Dutch business schools on the proposed candidate, the Dean, if in favour, recommends the candidate for appointment to the Executive Board of the University.

For appointments at assistant and associate professor levels, a department typically has a small search committee, usually chaired by the departmental chairperson. The chairperson then recommends a candidate to the Dean. If it concerns an appointment at associate professor level, the Dean seeks advice from the Promotion and Tenure Committee, as the candidate has to meet all the requirements for an associate professorship appointment, as specified by the tenure-track programme. If it concerns an appointment at assistant professor level, the Dean seeks advice from the Dean of Research who is the Erasmus Research Institute of Management (ERIM) Academic Director, regarding the research stature and potential of the candidate. The appointment of RSM's own PhD graduates to

assistant professor positions is actively discouraged and will only take place in exceptional circumstances.

Career Path Policy. RSM is fully aware that the quality of the School is determined by the quality and efforts of its faculty. The recruitment and retention of the highest quality faculty is, therefore, of great importance for the School. To continue to excel as an attractive employer with a challenging and inspiring working environment, proper arrangements are made with regard to the career paths of individuals. RSM's career path policy was revised in 2007 to enhance consistency and transparency in hiring, assessing, rewarding and promoting.

RSM's remuneration system is based on the overall system of EUR, but adjusted with the School's specific mission and strategy in mind. The system includes specific criteria that assistant, associate, and full professors need to meet in order to be eligible for promotion. These criteria relate to scientific research output, teaching quality, and administrative duties. The following examples list the criteria.

Performance Appraisal Policy. Every RSM faculty member is subject to an annual performance appraisal conducted by their managing director, typically a full professor or the department chairman (in case of a PhD student, assistant or associate professor) or the Dean or Vice-Dean (in case of a full professor). The annual performance appraisal focuses on research output, teaching quality, administrative duties, academic and business and societal exposure, and involvement in obtaining external funding.

Every course gets evaluated through an extensive digital evaluation system. Students are given standard questions with regard to the quality of literature, course content, testing, level of difficulty of the material, relevance to business administration, cohesion with other courses, workload, and questions regarding didactic quality. On a scale ranging from 1.0 to 5.0, lecturers in the BSc programmes need to have a score of at least 3.0 for large courses (that is, with a student enrolment of 300 or more), 3.5 for smaller courses, and 3.75 for electives. For the MSc programmes the benchmark is 3.8 for core courses and 4.0 for electives. Courses that show below-standard evaluations are closely monitored and often lead to substantial improvements.

Allocation of time dedicated specifically for the purposes of individual development takes place within the context of departmental HRM policies. These provide flexibility for different arrangements over shorter or longer

periods of time. Research performance is evaluated on the basis of the ERIM membership criteria.

Career Path Policy of Academic Personnel of the RSM Erasmus University

Introduction

The quality of the School is determined by the quality and efforts of our faculty. The recruitment and retention of enthusiastic, motivated and high-quality faculty is therefore of great importance for the School. To continue to excel as an attractive employer with challenging work in an inspiring environment, proper arrangements should be made with regard to the career paths of individuals.

This report is intended to depict the career path of employees in the form of an overview. The basis of the School's policy is formed by the EUR career policy. This report, where possible and desired, provides further details in terms of the specific situation applying to this School.

This report describes the various types of academic positions, including the principal tasks according to the job description and the qualifications for the job, salary scale and promotion system.

It is important to point out that specific "labour market" considerations can be taken into account in the decision-making process regarding appointments.

- Starting point of the career path policy:

In the first place, the career path policy is determined by an individual's performance.
In the second place, supervisors of academic personnel are prepared to measure the performances in an objective manner and attribute consequences relevant to the individual career path development.

- Positions:

The following positions have been decided upon:

- Universitair docent / Assistant Professor (Hay job profile of Assistant Professor 1)
- Universitair hoofddocent / Associate Professor (Hay job profile Associate Professor 1 and 2)
- Hoogleraar / (Full) Professor (Hay job profile Full Professor 1 and 2)

- The role of the Promotion & Tenure Committee:

Before an individual is appointed as an Associate Professor, a decision is made following advice from the Promotion & Tenure Committee (P&T) to the Dean.

- Exhibit 1: Integrated overview of functions and requirements

The requirements for the appointment of Assistant, Associate, and Full Professor are schematically depicted in Exhibit 1. Regarding the teaching, research and management requirements, two *qualification levels* are identified: basic and senior, while at both levels two *performance levels* are discerned: fair and excellent performance.

The various combinations of types of qualifications (research, teaching, and management), level (basic, senior) and performance (fair, excellent) correspond to positions (assistant, associate, full professor) and salary scales; see Exhibit 1.

Source: Maintenance of Accreditation report for AACSB, RSM Erasmus University, 2008, p. 78

Exhibit 1: Teaching, research, and management qualifications required for Assistant, Associate, and Full Professor

	Performance	
	Fair	**Excellence**
Teaching qualification: Portfolio of activities and assessment		
• Basic qualification: BSc and MSc courses (small and/or large) corresponding to required teaching load, coordination of courses, adequate evaluation, teaching in English (certified)	UD1, rank 11	UD1, rank 12
• Senior qualification: Basis qualification plus teaching in MBA and / or executive programmes and/or MPhil; curriculum development (small and large-scale courses)	UHD2, rank 13 UHD1, rank 14	UHD1, rank 15; HL 1+2
Research qualification: Output assessment and activities		
• Basic qualification: receiving an (associate) membership voucher	UD 1, rank 11: assoc. ERIM member: grace period	UD 1, rank 12 comply to (assoc.) ERIM membership
• Senior qualification: exceed requirement for receiving a membership voucher plus additional activities e.g. PhD (co)supervision	UHD 2, rank 13 UHD 1, rank 14 very good ERIM-member	UHD 1, rank 15; HL 1+2: high performing ERIM-member
Management qualification: Portfolio of activities and assessment		
• Basic qualification: Coordination activities and managerial responsibilities within the department in teaching and research	UHD 2, rank 13 UHD 1, rank 14	UHD 1, rank 15;
• Senior qualification: Basis qualification plus certificate and managerial responsibilities, at school and/ or university level	HL 2	HL 1

Source: Maintenance of Accreditation report for AACSB, RSM Erasmus University, 2008, p. 79

Voucher system. Research activity is fully integrated into the workload of individual faculty members by means of the voucher system. The voucher system allocates research time in full-time equivalents (FTEs). The regular research voucher for ERIM Members and ERIM Associate Members remains 0.4 FTEs. ERIM Fellows have 0.1 FTE for coordination of the research programme. Additionally, high-performing ERIM Members are entitled to an additional voucher of 0.2 FTE. The conditions for receiving these extra benefits are: a minimum of three publications in the very top journals in the field over the last five years. The voucher system enables individual faculty members to negotiate the teaching load.

Faculty members in the tenure track who are selected for the RSM Early Career Talent Programme receive extra research vouchers: 0.8, 0.7, 0.6 and 0.6 in the first four years of their appointment respectively. This enables them to invest in their research portfolio in the first part of their academic career. PhD students are supposed to spend at least 0.8 FTE on research.

Tenure Track. As of 1 August 2007, RSM has implemented a tenure track system that offers new hires at the assistant professor level positions an initial contract for a maximum of six years. In addition to the annual assessments performed by the department chairman, the first formal assessment of the candidate by the tenure track committee takes place after three years. This is the so-called *mid-term evaluation.* The second assessment by the tenure track committee takes place after five years, the outcome of which is the tenure decision either to grant the candidate tenure and promotion to the level of an associate professor, or to let the candidate go. The tenure track programme applies to all assistant professors hired after 1 August 2007.

Mentoring scheme for tenure trackers. As of 2011, a mentoring scheme for tenure trackers is in place. The mentoring programme is meant to support and guide the tenure tracker's development towards an associate professorship. A mentor, typically a professor or associate professor, introduces the young scientist to the broader academic world of his academic discipline, familiarises him/her with the organisation of the university and provides support in submitting a research proposal.

Career Development System. To acquire, retain and deepen knowledge and skills needed to support the School's mission and long-term strategy, RSM has a career development system in place. This system aims to encourage academic staff to shape their own careers by switching careers or deepening their functional knowledge. To this end, each department is free to provide its staff with access to a broad range of self-development opportunities, such as taking part in the International Teachers Programme and doing research at a foreign university. The Academic Leadership Course, which covers areas such as managing professionals, conducting job interviews and managing academic projects, is however mandatory from associate professor level upwards. In some cases, foundations provide scholarships for conferences, seminars and other purposes.

Basic teaching qualifications. The Board of Erasmus University Rotterdam requires professors to have passed a so-called 'basic teaching qualification programme' in order to be allowed to teach. This basic teaching qualification guarantees that the School's faculty has a good level of pedagogical skills. The modular programme can take up to 250 hours to complete. Furthermore, as nearly all RSM courses are taught in English, all lecturers need to have a C1 level of proficiency in the English language in accordance with the Common European Framework of Reference (CEFR) criteria.

Faculty support. Within RSM, the strategy for faculty support is aimed at ensuring high quality dedicated support staff and offering a rich set of support programmes and additional services for research and education. For ERIM members and doctoral students to perform strongly, at all levels and at all stages of the academic research life cycle, support is provided for activities such as obtaining external funding for new research projects to submitting a paper to an international journal. In 2011, in line with the faculty research support strategy, RSM appointed a Director of Grants Development and created a project desk.

ERIM Director of Grant Development. One of RSM's objectives is to broaden and increase its research funding base. Attracting both public and private funding is becoming increasingly important to sustain the scope and quality of RSM's research, especially as the basic funding from the Dutch Ministry of Education and Research is annually decreasing. In order to boost the number and success rate of RSM's research grants, RSM has attracted a Director of Grants Development.

The Director of Grants has set out the following goals:

- To create systematic awareness of research funding opportunities
- To target and contact potential applicants and encourage them to apply for funding
- To increase the quality and success rate of funding applications
- To improve and professionalise the entire funding process of RSM
- To inform and involve RSM researchers in future funding schemes

The Project Desk. In order to streamline and cater to faculty who needs support for (mostly) existing first, second, third and fourth money-stream[5]

5 The first money-stream is provided by the Ministry of Education, Culture and Science (OCW) and directly transferred to the University; the second money-stream concerns individual activities and initiatives and is funded by public organisations such as The Netherlands Organisation for Scientific Research (NWO) and The Royal Netherlands Academy

projects, RSM set up the Project Desk in 2011. The Project Desk coordinates and provides administrative and legal assistance for faculty applying for and undertaking projects that fit one of these four 'money-stream' categories. Project Desk staff works closely with the ERIM Director of Grant Development.

Criteria regarding faculty members. With regard to the criteria concerning the sufficiency (i. e levels of participation and support) and qualifications (academic, professional) of the faculty, the AACSB guidelines were followed. RSM meets AACSB's requirements for faculty sufficiency and the expected level of faculty qualifications.

Corporate Social Responsibility and Human Resource Management Checklist

Industry Canada* proposes CSR and Human Resource Management Checklist organised in 10 steps. The steps are a set of actions a human resource manager can pursue to integrate CSR into the way the organisation conducts its business while generating social and environmental value.

Step 1: Vision, mission, values and strategy

- Initiate or support the development/upgrade of a vision, mission and values framework to incorporate CSR
- Involve employees (and other stakeholders) in the development of mission, vision, values framework
- Support the development of the CSR strategy; champion or drive if necessary

Step 2: Codes of conduct

- Embed CSR into the Employee Code of Conduct

Step 3: Workforce planning and recruitment

- Evaluate the need for CSR / Sustainability skill sets in your future workforce
- Identify key CSR competencies and gaps
- Incorporate CSR into the employer brand and the employee value proposition
- Incorporate CSR into recruitment programs

of Arts and Sciences (KNAW); the third money-stream is project-related funding either from private institutions or from business sponsorship, but in some cases it can also be governmental funding; fourth money-stream includes private funding, donations, and endowments.

- Include CSR questions in recruitment interviews, the offer letter and early employee contact

Step 4: Orientation, training and competency development

- Incorporate into the orientation and probationary review process
- Provide regular job specific and general CSR training
- Incorporate a CSR dimension into career pathing and succession planning programs

Step 5: Compensation and performance management

- Integrate CSR into job descriptions, annual performance plans and team goals
- Incorporate CSR into the formal and informal reward system
- Support business units in developing performance evaluation systems that foster CSR behaviour
- Integrate CSR into the annual performance review
- Incorporate CSR into exit interviews

Step 6: Change management and corporate culture

- Align organizational change management programs with CSR values and principles
- Segment your workforce by state of change readiness and tailor change activities accordingly

Step 7: Employee involvement and participation

- Involve employees in the development of the vision, mission, values and CSR strategy
- Foster CSR employee awareness and action through events and CSR champions teams
- Support employees and their families in learning about and taking action on their social and environmental concerns at work, home and in their communities

Step 8: CSR policy and program development

- Develop CSR policies and programs in HR mandate, e.g. wellness, carbon footprint, employee volunteering, etc.
- Foster personal sustainability among employees
- Require HR suppliers to demonstrate CSR commitment and progress

Step 9: Employee communications

- Communicate your CSR objectives, plans and progress to your employees

- Raise awareness of CSR through regular employee communications

Step 10: Measurement, reporting and celebrating success

- Incorporate CSR measures into employee engagement surveys
- Measure and report on progress toward CSR integration goals
- Celebrate small wins and major milestones

*Source: http://www.ic.gc.ca/eic/site/csr-rse.nsf/eng/h_rs00563.html

Further reading

Required reading:

1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 152-162.
2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p. 227-253.
3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. Part 1, Chapter 4.

Recommended reading:

1. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices*. Retrieved from Dobb's The World of Software Development.
2. Juran, J.M. (2003). *Juran on Leadership for Quality: An Executive Handbook*. Mc Graw-Hill, Inc., New York.
3. Müller, M. (2012). *Internal Change Management through the introduction of a Quality Management System*. GRIN Verlag.
4. Münster-Kistner, D.F.; Freiherr, W. (2012). *Quality Management – Vision of the demographic changes*. GRIN Verlag.

Topic self-check tasks

1. Explain the meaning of HRM in total quality management.
2. What are the basic strategic planning steps in human resources for quality?

3. Why organisational climate and organisational culture is important in managing quality?
4. How organisational culture and total participation contributes to quality management?
5. Explain the impact of organisational culture towards effectiveness?
6. What are the main features of organisational culture in total quality management implemented organisations?
7. What organisational culture changes are undergone during the implementation process of total quality management?
8. What quantitative and qualitative organisational culture research methods are used in managing quality?
9. How to implement HRM for total quality: alignment; authority; capability; commitment?
10. What are the principles of teamwork?

5. PROCESS FOCUS: UNDERSTANDING THE PROCESS APPROACH METHODOLOGY

Conspectus

- Understanding the process approach
- Process approach methodology:
- Step one: establish the responsibilities for managing the process
- Step two: define the process
- Step three: identify customer requirements
- Step four: establish measures of process performance
- Step five: compare process performance with customer requirements
- Step six: identify process improvement opportunities.
- Step seven: improve process performance
- Support for the system approach

Learning tasks

- Read and discuss the proposed case of Strategic Management Processes at Rotterdam School of Management, Erasmus University.
- Discuss and develop the flowchart of your study programme management process (team work).
- Arrange the third part of your study programme process: "3. Study programme management process flowchart".

Support material

CSR integrated management processes are usually covered by corporate governance. An organisation usually establishes, documents, implements and maintains a CSR (i.e. corporate governance) management system quite similarly as described in general quality management process and continually improves its effectiveness in accordance with the particular developed requirements.

DEFINITIONS

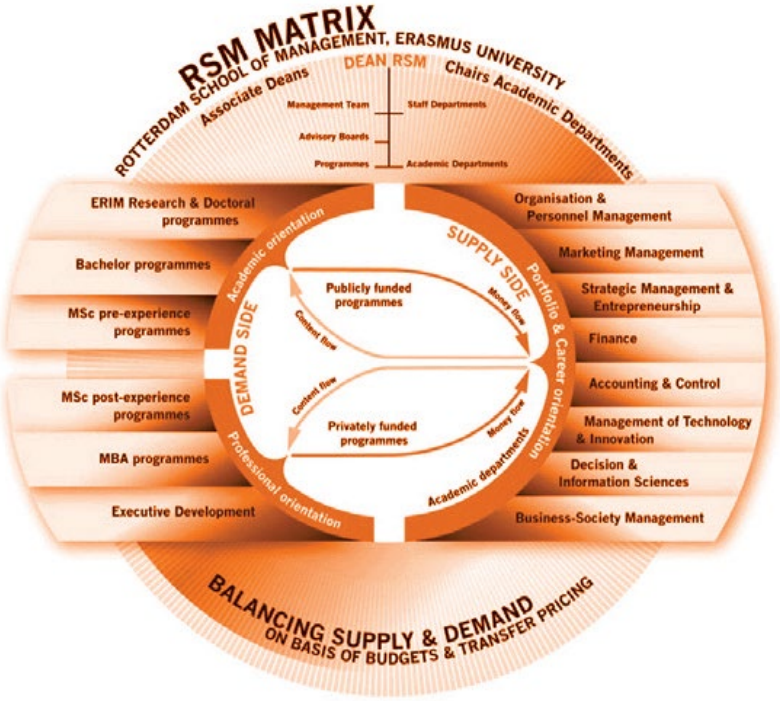
Flowchart is a type of diagram that represents an algorithm or process, showing the steps as boxes of various kinds, and their order by connecting them with arrows.

5.1. Case study: RSM Management Processes

RSM governance structure. The Dean governs the School[6]. He or she is appointed by, and reports to, the Executive Board of Erasmus University. As an administrator, the Dean is accountable for the operations of RSM, and is obliged to act according to the rules laid down by the Dutch Higher Education and Scientific Research Act and the regulations of the University.

The School is organised as a matrix-type of organisation (see Figure 5.1), with the academic departments on one side of the matrix and the programmes on the other. The research and education programmes act as the 'demand' side of the matrix. They play a crucial role in the development and implementation of their respective programmes and in the allocation of money through budgets and transfer pricing mechanisms, whereas academic departments are responsible for the delivery – i.e. the 'supply' – of the content and for personnel management of the faculty. The programme leaders make agreements with the chairs of the academic departments on the nature and quality of content to be delivered and on the budgets allocated and staff needed to perform these services. In this model, the academic departments are the content suppliers, and at the same time form the home base for all academic staff at different stages of their careers. They house specific expertise (faculty members) in a management field and deliver services to the respective programmes or activities of the School. The academic departments perform as profit/loss centres in the School and have clear organisational responsibilities and financial mandates. The matrix structure facilitates the orchestration of the 'content flow' and 'money flow' in the School.

6 The case study is developed under proposed material by Erasmus University Maintenance of Accreditation Report for AACSB Rotterdam School of Management, Erasmus University, 2008 and 2012.



Source: Rotterdam School of Management, Erasmus University, 2012

Fig. 5.1. Strategic Management Process in matrix-type organisation

As observed in figure 5.1, RSM has eight *academic departments*:

- Organisation and Personnel Sciences;
- Marketing Management;
- Strategic Management and Entrepreneurship;
- Finance;
- Accounting and Control;
- Management of Technology and Innovation;
- Decision and Information Sciences;
- Business-Society Management.

The main *programme clusters* are:

• The School's *research and doctoral programmes* organised via Erasmus Research Institute of Management (ERIM), a joint venture with the Erasmus School of Economics. The management team for the institute consists of the Dean of Research/Scientific Director of ERIM, an Associate Director, a Director of Doctoral Education and an Executive Director ERIM. A Programme Advisory Board, consisting of the programme leaders of the respective research programmes of ERIM, serves as an internal advisory body to the Scientific Director. ERIM also has a Supervisory Board, serving as the external sounding board for the Scientific Director. The Institute also has its own PhD council and research support staff.

- The *pre-experience, publicly-funded programmes,* responsible for all full-time BSc and MSc programmes. Each of the programmes in this cluster has its own academic director and executive director, and the directorate is primarily supported by its own service and quality control staff. Overall responsibility lies with the Dean for BSc & MSc Programmes.
- The *post-experience, privately-financed programmes,* concentrated in the limited company, RSM

Support staff departments. The programme clusters manage their own programme-related support. Given the decentralised support structure, the central support staff at School level is kept to a minimum and organised in the following central staff departments:

- Dean's Office;
- Finance and Control;
- Human Resource Management;
- Corporate Marketing and Communications;
- Corporate and Alumni Relations;
- ICT Support.

Decision-making processes. The structure, the decision-making processes, and the responsibilities are laid down in the governance charter and by-laws of the School. The Management Team (MT), chaired by the Dean, manages the School on a day-to-day basis and executes the strategic choices. Within the University's governance charter and by-laws, the MT is advisory to the Dean, who has the overall responsibility and the formal executive powers, and reports to the University Board. The MT meets once every two weeks. By the summer of 2012, the key strategic plans and choices at School level as well as at department level were discussed in a Management Committee

(MC). The MC was chaired by the Dean and further consisted of the MT members, the department chairs, and other key stakeholders, such as the directors of services, a student representative, and a representative of the Faculty Council. The MC platform has now been replaced by the recently established Strategic Platform (SP), where MT members, the chairs of the academic departments, and the key support staff work closely together on the development of the strategy of the School.

In addition to the Management Team and the Strategic Platform, there are three more groups involved in decision-making. First, the democratically elected Faculty Council, consisting of both staff and student representatives. The Faculty Council has an advisory role. Second, the Programme Committee (PC) monitors educational programmes. The advice of the PC is required for all decision- making regarding educational matters. Within the PC, at least 50% of the members are students.

Programme Management is obliged to take the advice of the PC into account, and needs to explain in writing when it deviates from its advice. Third, the Examination Board (EB) is responsible for the final attainment level of students and the correct application of rules and guidelines required under Dutch law. To this end, each year it produces the Teaching and Examination Rules (TER) that serve as the legal framework for all educational activities in the given academic year.

Finally, the School's Advisory Board offers advice and expertise to the management of the School. The Advisory Board consists of 30 high-level (international) managers from corporate industry, NGOs, and the political arena. The board meets twice per year. Corporate and Alumni Relations manages the communications with the board members on behalf of the Dean. Given its legal status, the RSM B.V., responsible for the post-experience programmes, has a separate Supervisory Board consisting of three members, chaired by the president of Erasmus University. The University Board appoints the members of the Supervisory Board and approves the appointment of the statutory (executive) directors, on the recommendation of the Supervisory Board.

5.2. Intellectual contributions

Value of RSM's intellectual contributions. RSM makes a wide-range of intellectual contributions, ranging from discipline-based articles, books and

book chapters to contributions to practice. The faculty's research productivity has led to significant citation levels, best paper awards, and national and international recognition. The development of our performance in research and the creation of intellectual contributions is achieved through many of the practices common in academia. The intellectual contributions of RSM/ERIM over the previous six years are evaluated as part of the reaccreditation evaluation by the Royal Netherlands Academy of Arts and Sciences (KNAW) and an IPRC committee based on an extensive self-assessment and accreditation procedure.

RSM achieves active researchers at all levels within the School through carefully identifying and hiring the best faculty members it is able to attract. RSM mixes solid teaching and promising research potential. Searches are not taken lightly and require a significant amount of effort from department chairs and search committee members. Our evaluation process for annual raises, our performance policies, and our promotion and tenure process combine to provide a structure where department chairs and senior faculty members are eager for junior faculty members to succeed. They are highly motivated to mentor and encourage junior faculty to publish as well as to succeed in the classroom.

Infrastructure to support faculty intellectual contribution development. A very special feature of RSM is the consistent funding base for research and research support through the ERIM research voucher and the ERIM support programmes. This provides the research infrastructure needed for top performance, allowing faculty members to pursue effective and impactful research careers, resulting in quality publishing and top academic grants. Examples of the infrastructure are the Erasmus Behavioural Lab (EBL), software platforms for electronic surveys and datasets, databases for research and targeted scientific software development. At the School level, funds are made available through the early career talent programme, and voucher scheme for high- performing faculty, and other managerial publishing incentives systems. ERIM is dedicated to a career-wide perspective on publishing and granting.

From its start, RSM's research school ERIM has relied most fundamentally on the use of a transparent membership and voucher system to drive its strategy of being a high-quality research institute. The system has been the key driver behind rapid growth in research quality and productivity of the School, also because the membership criteria of becoming and staying

a funded member of ERIM have been gradually raised over the years. As a result, the membership criteria remain challenging for a substantial part of the ERIM population, but nonetheless this system has always enjoyed strong support internally and received substantial praise externally. One reason for this is the system's relative simplicity and its high level of transparency. Membership criteria refer to publication performance and encourage publishing in selected top journals in management research, as listed in the ERIM Journal List (EJL).

An ERIM member reports his/her publications to ERIM, typically by registering them in the MyERIM Publication system. ERIM makes an annual evaluation in March/April based on the output of the previous five calendar years. Any member who has not been able to meet the ERIM membership criteria will receive a warning. Any member who has not been able to meet ERIM membership criteria for two consecutive years will lose ERIM membership. ERIM members receive a research voucher for at least 0.4 part of their appointment, allowing them to devote a substantial part of their working week to research. Additional rewards and vouchers are available for high-performing members, who aid significantly in encouraging top performers and communicate effectively that excellent performance is appreciated and rewarded.

As of December 2011, and excluding visiting members, 45 of the 142 ERIM/RSM fellows and members (31%) were classified as high-performing, and this percentage has increased over time: in 2008 it was 19% (25 high-performing members). The details of the ERIM membership criteria and the related voucher system is discussed in chapter 4.

Further reading

Required reading

1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 53-89.
2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p. 107-124.

3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western.- Part 1, Chapter 5.

Recommended reading

1. Chiarini, A. (2012). *From Total Quality Control to Lean Six Sigma–Evolution of the Most Important Management Systems for the Excellence*. Springer.
2. Jensen, T.P. (2010). *Continuous improvement with Business Process Management and Enterprise Architecture together*. IBM Corporation.
3. Juran, J.M. (2010). *Juran's Quality Handbook: The Complete Guide to Performance Excellence*. 6th ed. McGraw-Hill Professional, New York.
4. Pyzdek, Th.; Keller P. (2012). *The Handbook for Quality Management: A Complete Guide to Operational Excellence*. 2nd ed. McGraw Hill Professional.

Topic self-check tasks

1. Explain the meaning of process approach in quality management.
2. What are the steps of process approach methodology?
3. How to establish the responsibilities for managing the process?
4. What sources of information would you use to properly define the particular process? What techniques help in defining the process?
5. What techniques are applied in identifying customer requirements?
6. What are the basic measures of process performance?
7. How to compare process performance with customer requirements?
8. How process improvement opportunities might be identified?
9. Explain how to improve process performance? How often should it be implemented?
10. How system approach supports quality process management?

6. MODERN TOOLS AND TECHNIQUES FOR QUALITY MANAGEMENT

Conspectus

- Multidimensional self-assessment models of organisation's quality level
- Strategic levels of quality goals
- Quality management awards and frameworks
- ISO 9000 Series Standards
- Six sigma as a quality framework
- International quality award programmes (Deming Prize; Malcolm Baldrige of National Culture; European Quality Award; Lithuanian National Quality Prize)
- Organisation's quality politics and main targets;
- Strategic planning tools for managing quality targets

Learning tasks

1. Read the proposed material of modern tools and techniques for quality management and discuss its applicability for study programme quality self-assessment.
2. Find out and discuss the tools and techniques used for quality management in study programmes in your university.
3. Develop balanced scorecard for your study programme linking quality vision and main targets of the study programme (team work).
4. Arrange the fourth part of your group project "4. Balanced scorecard for X study programme", propose explanations.

Support material

DEFINITIONS

The balanced scorecard (BSC) is a multi-dimensional strategic management tool that takes into account organisation from different perspectives, usually the following:

- Financial: perspective of organisations‘ shareholders
- Customer: customers‘ expectations and requirements
- Process: key internal processes used to meet and satisfy customer and shareholder requirements
- Learning and Growth: fostering change and continuous improvement

For each of these perspectives, the BCS prompts to develop metrics, set performance targets and collect and analyse data. Thus scorecard offers an efficient mechanism for reviewing the quality of organisation‘s strategy implementation success based on measurement.

BSC supports balanced continuous improvement at the level of integrity between strategic performance and achieved results, by bringing together measures around internal processes and external outcomes.

Traditional quality management models demonstrate a number of limitations due to proposed measurement methods and tolls in contemporary organisations. Panayiotou (2009) states that the "development of the various quality and excellence frameworks has resulted in the inclusion of measures relating to corporate and social responsibility alongside their more traditional measures relating to organizational practice and performance". For instance, values and concepts from dimensions of CSR and in line with environmental responsibility might be found in a range of quality frameworks for excellence and awards, such as Baldrige (NIST 2002), or even as a fundamental concepts in European Foundation for Quality Management (EFQM 1999). Robson and Mitchell (2007) state that "these issues are assessed as results criteria under the context of "stakeholders and society" and are driven from the models' enabling Total Quality Management drivers in common with other operating and key performance criteria" (cited in Panayiotou, 2009).

Part of the European Quality Award is explored in a particular section "Impact on society". Therefore, two aspects are considered: first, organisation's success in meeting community's expectations (community's perception) and, second, organisation's impacts upon local society. Impact on society

is measured from the perspective of performance, but not the role of any explicit or implicit enablers that support this process (EFQM 1999).

Lately excellence indications in higher education start being measured with the help of a number of CSR and sustainability integrated measurement systems. One of the largest strategic policy initiatives on CSR in the world is the UN Global Compact. This initiative aims to promote responsible and sustainable practices among companies and organisations. Indeed, numbers of higher education institutions worldwide have already joined the Global Compact Network. With participation in the Global Compact Network, universities declare integration of socially responsible principles into their strategy and ensure their internal quality system. This gives a worldwide recognition of the university as a socially responsible organisation. There are particular practices developed that already demonstrate how the full integration of CSR in all quality management processes in universities is achieved with the help of balanced scorecards.

6.1. Excellence indicators in higher education

Doerfel and Ruben (2002) state that "one of the defining themes of *contemporary organizational theory* is the emphasis on information and measurement for assessing, tracking and promoting organizational excellence. "Information and Analysis" is one of the seven categories in Malcolm Baldrige criteria for performance excellence, and "management by fact" has been a core value in the Baldrige framework, and most other writings on organisational quality for more than a decade". One might argue Malcolm Baldrige being a business case and having no reflection regarding higher education institutions.

Indeed, in higher education, measurement of excellence counts respective decades. Doerfel and Ruben (2002) observe that "rather than emphasizing primarily financial measures, higher education has historically emphasized academic measures". However, measurement in higher education has generally emphasised most easily quantifiable academically-related variables.

Everybody in academic community recognised the importance of measures applied in measuring excellence in higher education, such as proposed by Doerfel and Ruben (2002): student and faculty demographics, enrolment, grade point average, and scores on standardised tests, class rank,

acceptance rates, retention rate, faculty-student ratios, graduation rates, faculty teaching load, counts of faculty publications and grants, and statistics on physical and library resources.

Lately it is quite often stated by scholars that practitioners usually miss a number of potential indicators in measuring quality and performance excellence in higher education. This is mainly caused by the widespread application of traditionally developed assessment frameworks in this field. Lately, as a part of its *Excellence in Higher Education*, based on the above-mentioned Baldrige self-assessment programme, the so-called Rutgers QCI Programme[7] keeps working on defining the appropriate set of excellence indicators for higher education institutions. The process is organised in dialogue with respective academic and administrative units mainly inside the university.

Universities, research institutions and academic communities usually set its fundamental objectives in their mission typically as advanced excellence in knowledge creation, sharing and application. The overall mission is normally spread into particular aspects, namely documentation for excellence, in teaching, research and public services or outreach. Furthermore, quality targets are achieved in case separate aspects of the overall institution's mission are reflected in more detail in the specific descriptions of study programmes, usually under the aims, objectives and learning outcomes of a particular study programme.

Quality and excellence in fulfilling the mission set by a higher education institution, as stated by Ruben (2009), "requires a distinguished faculty, high-level research activities, innovative and engaging teaching-learning processes, supporting technology and quality facilities, capable students, competent faculty and staff, and legislative and public support". Doerfel and Ruben (2002) observe that there are particular aspects less well appreciated but equally relevant in successful mission fulfilment, e.g. a friendly, supportive and respectful social environment; responsive, integrated, accessible and effective systems and services; sense of community, etc.

From stakeholder perspective it becomes evident how the successful fulfilment of the overall mission set by the institution highly depends on proactive engagement with a number of higher education stakeholders. The

7 Rutgers QCI is the Rutgers University Program for Organizational Quality and Communication Improvement, established in 1993.

success in meeting the relevant stakeholder expectations can be identified through the defined appropriate measurable outcomes (see Table 6.1).

Table 6.1 Measurable outcomes in higher education

Stakeholders	Potentially-measurable outcomes
Current Students	Attending their university/programme of choice with well-defined expectations and high levels of satisfaction relative to all facets of their experience. Feeling they are valued members of the university community with the potential and support to succeed.
Faculty	Pleased to serve on the faculty of a leading, well-supported institution/programme, enjoying respect locally, nationally and internationally.
Staff	Regarding the institution/unit as a preferred workplace where innovation, continuing improvement and teamwork are valued; Recommending the institution/unit to others.
Families	Proud to have a family member attending the university/ programme, supportive of the institution. Recommending it to friends and acquaintances.
Prospective Students	Applying to a university/ programme as a preferred choice, informed about the qualities and benefits they can realise through attending.
Research Contract Agencies and Other Organizations or Individuals	Seeking new knowledge or the solution to problems. Actively seeking out the university and its scholars for assistance.
Alumni	Actively supporting the university/programme and its initiatives.
Employers	Seeking out university/programme graduates as employees. Promoting the university/programme among their employees for continuing education.
Colleagues at other Institutions	Viewing the university/unit as a source of intellectual and professional leadership and a desirable workplace.

Governing Boards	Supportive of the institution and enthusiastic about the opportunity to contribute personally and professionally to its advancement.
Local Community	Viewing the institution as an asset to the community. Actively supporting its development.
Friends, Interested Individuals, Donors, Legislators, and the General Public	Valuing the university as an essential resource. Supporting efforts to further advance excellence.

Source: Ruben, 2009.

Financial indicators had been mostly criticised because of reporting on the past and are often recognised as measures for industrial age companies. In contrast, the twenty-first century highly demands advanced measures for reporting on quality and performance excellence under balanced approach. Namely, the Earth Summit in 1992 issued worldwide concerns on sustainability, drawing the major development trend for the twenty-first century. In line with other reporting initiatives, such as the Global Reporting Initiative (GRI), etc., balanced approach in organisational management closely refers to the holistic management paradigm.

Due to the observed weaknesses in measuring performance under financial indicators, Kaplan and Norton (1996) proposed strategic management methodology, called Balanced Scorecard (BSC). BSC represents a set of four important views for quality, i.e. financial, customer, process and learning and growth. Metrics from these four views enable capturing quality from balanced perspective. Quality and balance in organisation's management is ensured through four-dimensional interconnectivity in vision, mission, strategy and objectives. Thus, BCS proposes multidimensional measures in addition to financial ones.

6.2. Balanced Scorecard for higher education institutions

BSC proposes an advanced strategic management tool that has demonstrated many advantages in responsible managing for quality and performance excellence in higher education institutions. Mainly it was

recognised in terms of optimising the strategy and balancing performance for measurable outcomes. Farid (2008) refers to several examples proposed by Armitage and Scholey (2004), how BSC was successfully applied to a specific Master's degree programme in business, entrepreneurship and technology. Other cases are also described in literature by Karathanos and Karathanos (2005) as to the meaningful perspective measures for higher education developed by combining Baldrige and BSC with proposed application instruments.

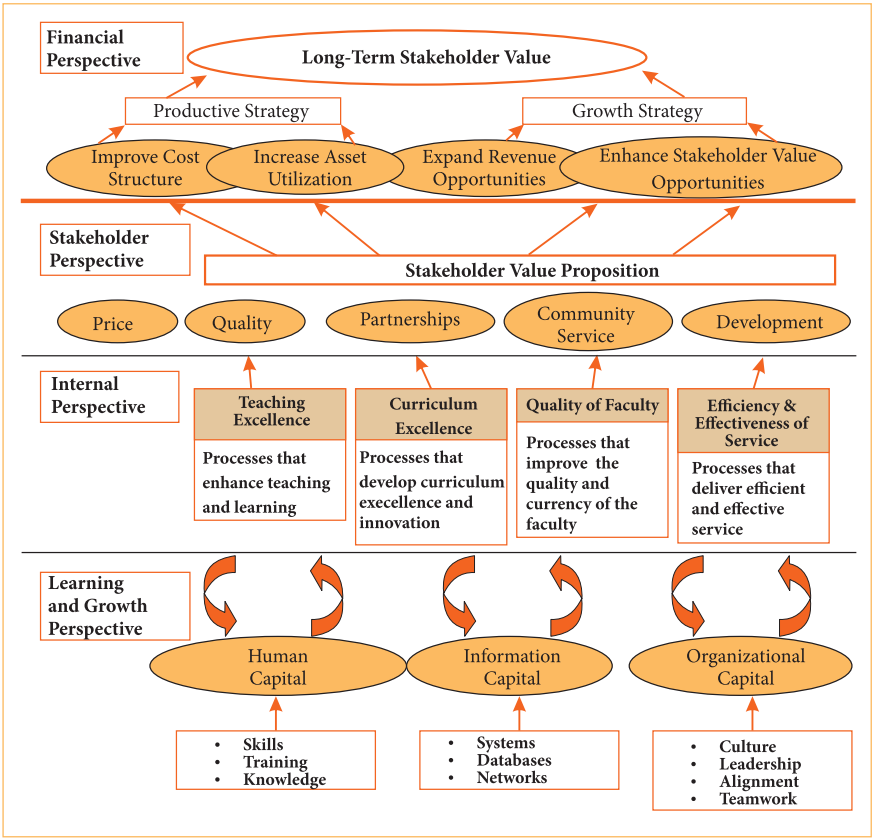
There are particular pre-conditions for introducing BSC in higher education. First of all, staff of the faculty should be ready to work together. It is observed by Farid (2008) that BSC development should begin with initiative for dialogue among those responsible for policy making and execution within the institution as strategic objectives come from top to bottom. Cause and effect linkages in BSC introductory phase are defined by involving feedback from communication with staff members and corresponding functional authorities. Kaplan and Norton (2001) proposed five core principles for BSC establishment with the aim to develop it as institution's strategic basis:

1. Translating the strategy to operational terms.
2. Aligning the organisation to the strategy.
3. Making the strategy part of everyone everyday job.
4. Making strategy a continuous process.
5. Mobilising change through leadership.

Farid et al. (2008) propose some useful instructions for creating BSC in a particular university study programme. They propose starting with a study programme mission statement, which usually defines general goals and the purpose of the study programme. Scholars give the following example: suppose the mission statement of the study programme is formulated as follows: "To prepare students to become managers and leaders who will add value to their organizations and communities and create sustainable development in society through:

- Offering high quality graduate and undergraduate programs.
- Training creative and innovative entrepreneurs and managers.
- Supporting research".

Therefore, the BSC strategy map for this mission might be developed as shown in Fig. 6.1.



Source: Adapted from Kaplan and Norton, 2004, p. 51; cited in Farid et al., 2008.

Fig. 6.1. Balanced Scorecard strategy map for study programme

6.3. Balanced Scorecard strategy map for study program

The next step after drawing the strategy map is to develop BSC with particular multiple goals and measures proposed for every perspective, i.e. financial, stakeholder, internal processes, learning and growth. The important issue is that measures proposed for every perspective should be in line with the organisation's strategy. Indeed, a number of measures usually varies in each of four perspectives.

The measurements given in the example are adapted from Bailey et al. (1999) (cited in Farid et al., 2008), but were tailored to apply to a specific management department.

Financial perspective. The financial perspective normally contains tangible outcomes in traditional financial terms. Table 6.2 contains an overview of the financial perspective's goals and measurements.

Table 6.2. Financial perspective's goals and measurements

Type	Goal	Measurement
Fund Raising	Building endowment/ fund raising/ annual giving	Size/growth of endowment Donor support for new initiatives Total funds raised
Revenue from operations	Increased research grants	Volume and number of research grants received
	Increased state appropriation	% of funding relative to others in system
	Increased student fees	% of contribution cost
	Increase teaching productivity	Student/faculty ratio
Financial management	To be financially sound	Balanced budgets Extend budget submissions cover all essential requirements Cost per unit of production relative to peers Market growth
	To financially succeed	Rate of increase in fee-paying students

Source: Farid et al., 2008.

Stakeholder perspective. Once the stakeholders are defined using various stakeholder analysis methods, each stakeholder in BCS should be placed in line with the goals and indicators. Goals and indicators should first of all represent measurable outcomes for the greatest each stakeholder's satisfaction

value. These outcomes are generated from university internal processes. The realisation of stakeholder satisfaction in terms of financial outcomes will appear in the financial perspective. An example is proposed in Table 6.3. for goals and measurements applied in stakeholder perspective (for more details regarding stakeholder identification and analysis see Chapter 3).

Table 6.3. Stakeholder perspective's goals and measurements

Stakeholder	Goal	Measurement
Students	Attract high-quality students	No. and quality of students Persistence rate Applications to programs % admitted Market share Geographic draw area
	Develop high quality students	Quality of teaching and advising Department GPA
	Graduate high- quality students	Starting salaries Quality and no. of on-campus recruiters Internship programs
	Student satisfaction	Ability to get access to "needed" courses Ease in getting "good" job Student evaluations of faculty/ courses Graduate exit surveys
Community – employers, alumni, parents	Business community (employer)	Employer survey rating graduates' effectiveness No. of faculty involved in community/business service
Faculty	Faculty satisfaction	Encouragement given faculty to engage in development activities Effectiveness of orientation and inculcation process for new faculty Availability of well-defined personnel policies and procedures available to faculty Office space and computer availability

University	Service to the university	Adequacy of participation in campus-wide activities Quality of relationships with other elements on campus
General	Teaching quality	Corporate evaluation of curriculum Qualifications of faculty Focus on up-to-date teaching practices
	Academic excellence	Quality of students admitted Quality of faculty Accreditation status
	Quality research contributions	No. of faculty publications/ citations in ISI Journals No. of faculty publications/ citations in other International research journals No. of faculty publications/ citations in national research journals No. of faculty members' presentations and speaks in International conferences No. of faculty members' presentations and speaks in national conferences

Source: Farid et al., 2008.

Internal process. BSC perspective concerning an internal process is normally focused on critical processes for meeting stakeholder needs. There are several issues of top importance in identification of critical internal processes: first, stakeholder expectations and satisfaction; and second, financial outcomes of the university. Normally, qualitative internal processes are core in driving financial effectiveness and delivering the expected value to stakeholders. Critical internal processes are described in Table 6.4.

Table 6.4. Internal process perspective's goals and measurements

Strategic theme	Goal	Measurement
Teaching/ learning excellence	Teaching excellence	Student satisfaction Employer satisfaction Teaching awards Course evaluations Peer and outside reviews
	Excellence in developing learning and learning skills	Grade point standards Pass rates on professional exams Opportunities for writing and oral presentations Assessments by course No. of students going to graduate/professional schools Advancement of alumni in profession Degree of deployment of technology in learning experience
Curriculum/ programme excellence and innovation	Curriculum excellence and innovation	No. of new courses developed Degree of innovation Degree to which curriculum is up-to-date with educational, business, and commercial trends Programme internationalization Periodic review of each programme on a rolling schedule
	Introduction of new programs/ innovations	Concept to implementation time Timeliness of delivery of new products
Quality and currency of faculty	Quality faculty	Faculty credentials Faculty appraisals Endowed chairs Faculty development plans
	Currency of faculty and classroom material/ experiences	Contacts with business and industry Utilization rate of multimedia in classroom

Efficiency and effectiveness of service	Production efficiency	% of students completing undergraduate programme in 4 years % of students completing graduate programme in 2 years Teaching costs/student Administrative costs/student % of budget dedicated directly to learning
	Student services effectiveness	Type and no. of services provided Time required to register Availability of internships - coops

Source: Farid et al., 2008.

Learning and growth perspective. This perspective in BSC normally entails compositions of skills and processes that are drivers for continuous improvement in critical processes discussed above. These goals are drivers for excellence in internal processes for meeting stakeholder satisfaction and financial success in terms of outcomes. Proposals for developing learning and growth perspective in BSC are given in Table 6.5.

Table 6.5. Learning and growth perspective's goals and measurements

Type	Goal	Measurement
Teaching/learning excellence and innovation	Faculty development	EUR for research, travel, library, computer hardware/software Teaching assessments
	Technology leadership (use, development, application)	Student and faculty satisfaction Degree to which technology is used in specific courses Expenditures on hardware/software
	Teaching/learning innovations	Development of assessment device/ technique for each innovation

Mission-driven processes and reward system	Measure, reward, and evaluate goal attainment	Evaluation of measuring and reward system in university
	Establish broad-based and continuous strategic planning process	Evaluation of strategic planning
Quality of facilities	Adequate physical facilities	Adequacy of classroom and equipment facilities for providing globally relevant management education

Source: Farid et al., 2008.

It must not be forgotten that support from senior administrators is critical for implementing a successful BSC in any organisation. The development of the balanced scorecard is a fundamental process that enables continuous improvement and enhancement. It is better to start improving than waiting for a perfect solution before implementing the strategy. Organisational change does not happen at one point in time, but is a continuous quality management process. The implementation of a strategy requires active contributions by everyone in the organisation. Each member of the university needs to understand this strategy and, beyond that, to conduct day-to-day business in ways that contribute to the success of the strategy's quality and performance excellence.

Further reading

Required reading

1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 53-89.
2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.107-124.

3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 6.

Recommended reading

1. Adomenas, V. (2011). *Standartizuota vadybos sistema: nuo kurimo iki tobulinimo: mokomoji knyga*. Kaunas: KTU.
2. Krishnamoorthi, K.S.; Krishnamoorthi, V.R. (2011). *A First Course in Quality Engineering– Integrating Statistical and Management Methods of Quality*. 2nd ed. CRC Press.
3. Stamatis, D.H. (2012). Essential Statistical Concepts for the Quality Professional. CRC Press.
4. Petrozzi, S. (2012). *Practical Instrumental Analysis– Methods, Quality Assurance and Laboratory*. John Wiley & Sons.
5. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices. Retrieved from Dobb's The World of Software Development*.

Topic self-check tasks

1. Describe the major self-assessment models of organisation's quality level;
2. How would you define different strategic levels of quality goals?
3. Why is it important to know different strategic levels of quality goals?
4. How benchmarking is applied to organisation's quality level evaluation?
5. What is the role of ISO 9000 Series Standards in the organisation's quality assessment?
6. Describe the process by which any organisation can become certified by ISO 9000 Series Standards.
7. Explain the main idea of the six sigma methodology.
8. Who of the quality gurus has direct relation to the Japan Quality Award and why?
9. Describe the process of Malcolm Baldrige National Quality Award.
10. What are the benefits of holding the European Quality Award for an organisation?
11. Find out how to apply the European Quality Award model to a particular organisation.

12. What are the main differences between Japan Quality Award, Malcolm Baldrige National Quality Award, the European Quality Award and the Lithuanian National Quality Prize?
13. Who plays a major role in formulating an organisation's quality politics and vision?
14. How quality targets should be formulated in order to achieve quality goals effectively?
15. What are the basic elements of strategic quality planning?

7. DESIGN FOR QUALITY AND PERFORMANCE EXCELLENCE

Conspectus

- Increasing importance of innovative design for quality and performance excellence in the twenty-first century
- Product life cycle and industry life cycle
- Mass customisation
- Design for quality and performance excellence
- Product disposal
- Time-based competition
- Computer-aided design
- Legal and ethical issues in design
- Design and the environment
- Overview of innovative product design processes

Learning tasks

1. Read and discuss the proposed case of innovative higher education design at Rotterdam School of Management, Erasmus University.
2. Find out the study programme life cycle in your university.
3. Discuss and summarise the suggestions for possible innovative design of your study programme (team work).
4. Arrange and explain the proposals for innovative design of your study programme in the fifth part of your group project "5. Innovative design for X study programme".

Support material

Design for quality and performance excellence might be discussed on the basis of a particular business model developed and applied in contemporary organisations. Zott et al. (2011) states that the Business Model describes the rationale of how an organisation creates, delivers and captures value, including economic, social or other forms of value. Therefore, a

particular business model applied in advanced higher education institutions proposes an appropriate design with the framework of know-how, i.e. the reflection of social and other forms of values (usually stated in its mission) and emphasised system to enhance them: strategic plans and goals; research and education programmes; recruitment, marketing and communication; career support; alumni relations; corporate relations; etc.

7.1. Innovative design in higher education: RSM case

Mission Statement. The mission is the leading statement for developing the strategic plans of the School that are updated at regular intervals. From 2008 onwards, the covenant describes the roles, control points (targets), measurement criteria and agreed joint investments by RSM and EUR for achieving the strategic goals towards 2013. The covenant has annual progress reports. As we are rapidly approaching 2013, EUR and RSM are in the process of determining the 2020 strategy.

The mission of the School has been relatively stable through the years. Formulated for the first time in the mid-1990s, it has remained unchanged in its core message. In 2007, some elements were added, underlining the central values of Erasmus University, such as professionalism, fair play, and teamwork. Only recently the notions regarding 'ethical conduct', *'sustainability'* and 'respect' have been added as RSM takes these values to heart, as evidenced by its portfolio of activities relating to responsibility and sustainability issues in research, education, services and support.

To fulfil its mission, RSM designs and delivers a balanced portfolio of activities and programmes from bachelor and master to MBA and executive development programmes in response to the needs of the international business community and across the full range of services, from knowledge creation to dissemination and application. To guarantee a sustainable top position in the long run in the international arena of business

schools, all RSM programmes and activities are research-driven. To this end, RSM develops and maintains academic personnel at the highest international levels, covering a broad range of disciplines in management research.

Strategic Plans and Goals. RSM is currently in the process of fine-tuning its strategic objectives for the 2012-2020 timeframe. One of the focal points will be to increase corporate engagement in all of RSM activities, teaching and research, and to strengthen ties with alumni. RSM continues its ambition to maintain its positions as a fully-fledged international business school firmly rooted in the corporate world and society, connected to and connecting its alumni. Improving RSM's reputation, relevance, and standing are the main drivers to carry out the strategy.

7.2. University business model

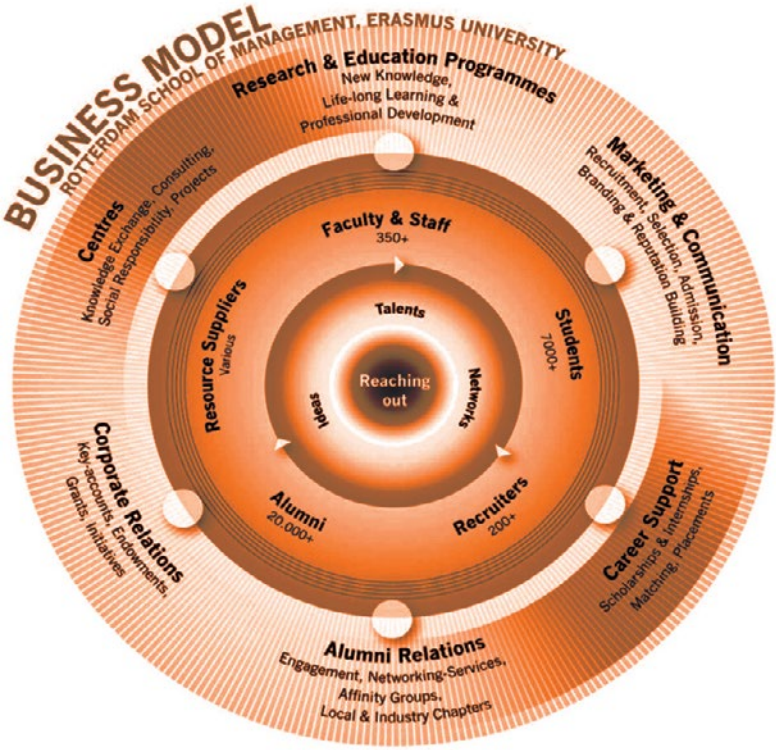
As an entrepreneurial school, RSM nurtures its most important business actors: faculty and staff, students, recruiters, alumni, and its strategic resource suppliers (companies and funders). RSM business model (Figure 7.1) is characterised by 'reaching out' to them.

The Business Model (2010): in April 2010, the School set up a task force, consisting of the Management Team and Department Chairs, to examine a new business model for RSM. ERIM in the next period (2010): as a concluding part of the KNAW accreditation renewal assessment executed in 2010, ERIM defined priorities for 2011-2015. Operations 2013 RSM (2011): this programme, initiated in 2011, runs parallel with the EUR-wide operations plan 2013. Both plans have the objectives of improving the service rendered to internal and external clients by optimising the company processes, communications, customer orientation, and service orientation.

Its main value-creating business entities – top research and education, marketing and communication, career support, alumni relations, centres and corporate relations – reach out by creating talents, great ideas, and great networks. The full potential of the overall business value of RSM can be realised only if different actors and entities of the business model are carefully orchestrated to produce results in a way that is professional, collaborative, sustainable, and respectful. The figure below with combined cycles visualises the connections between the core drivers, actors, and entities of the RSM business model.

The following six business entities play a key role, as the RSM business model (see Figure 7.1) shows. These are discussed below:

- Research & Education Programmes;
- Marketing & Communication;
- Career Support;
- Alumni Relations;
- Corporate Relations;
- Centres.



Source: Rotterdam School of Management, Erasmus University, 2012

Fig. 7.1. RSM Business Model

Research and Education programmes. RSM aims to produce relevant knowledge through systematic exploration (research and publishing with academic impact) and valorisation (managerial and societal impact through

teaching, consulting and exchange). RSM research base assures the quality of all our teaching, consulting, and exchange activities. Furthermore, its research is core to RSM reputation, independence, and integrity.

To fulfil its aim, and following the International Peer Review Committee (IPRC) that visited ERIM in 2011, RSM and ERIM identified four priorities for the 2011-2015 time frame:

- Further strengthen academic performance: invest in a research environment that attracts, develops, and retains quality researchers;
- Further increase the quality and international appeal of the doctoral programme;
- Invest in broadening and increasing the research funding base. Bring in top research grants;
- Strengthen ERIM's visibility and reputation in management practice and society at large.

RSM strives to offer consistently high-level teaching programmes in all segments of the market, including both pre-experience (BScBA, BScIBA, MSc), post-experience programmes (MBA, specialised masters, and executive development), and the doctoral programme (MSc, PhD). All programmes are strongly research-driven, with a focus on relevance to society. The quality of its programmes is and has always been central to RSM, and for this reason RSM takes the assurance of learning as an integral part of its programme management. RSM strives for a larger market share of excellent students, but growth as such is not a central aim.

To fulfil its aim, RSM invests in:

- Optimising assurance of learning processes;
- Increasing the external (non-RSM bachelor) intake into the pre-experience master programmes, both from the Netherlands and abroad;
- Offering programmes that are increasingly more student-centered, smaller scale, more challenging and learning-centered;
- Intensifying collaboration with top business schools, via its extensive network of exchange programmes (around 100);
- Further expanding student services, including effective placement services and support for housing of Dutch and international students;
- Continuously improving its MBA programmes (in terms of structure, curriculum, course content, faculty, electives, etc.) in order to meet the changing demands for MBA graduates;

- Redesigning the Executive MBA into a 14-month instead of 24-month curriculum, in 2014;
- Offering a number of courses, or parts of courses, in the International Full-Time MBA and the Executive MBA programmes online, as of 2014.

Recruitment, Marketing and Communication. RSM marketing instruments are targeted at selecting only the best students. To this end, RSM has built a very well-developed system to attract new students, shifting its well-aligned marketing, recruitment, and admission processes from recruitment fairs to the web. This has resulted in the recent launch of a completely revised website (rsm.nl), with a new web content management system and a new website design. Furthermore, RSM has been developing mobile applications, the first versions of which were launched recently. Social media is another area where RSM is building its presence, with the objective of 'being where our potential clients are'. RSM will continue to invest in these areas, especially given the ever-increasing international competitiveness of its markets.

To fulfil its aim, RSM invests in:

- Further professionalising, strengthening and developing new ways of recruiting (IT and web);
- Increasing student intake quality for all programmes; maximising the use of selection possibilities within legislative framework, if possible through rigorous selection (based on GPA, GMAT, etc.);
- Further strengthening of financial aid support services (regarding Dutch, EU, and home-based governmental as well as employer and charitable aid) for final stage MBA applicants;
- Developing a scholarship programme for talented students.

A strategic objective is to build RSM into a globally recognised business school brand. With this in mind, and for the first time, an RSM-wide branding project I WILL was launched. This successful initiative has led to the participation of thousands of students and staff, and has been used to boost recruitment. Also, in order to achieve a high profile and gain exposure, and at the same time measure itself against other leading business schools, RSM participates in relevant national and international rankings and in key international networks.

Career Support. RSM aims to invest in student careers by offering internships, career advice, and initiatives in collaboration with recruiters.

For doctoral students pursuing an academic career we aim to expand on the number of placement offers. At RSM, two dedicated departments focus on career support, one for pre-experience students and one for post-experience students. Both departments work closely together. Placement services for doctoral students are organised by ERIM.

To fulfil its aim, RSM invests in:

- Professionalising its services;
- Developing dedicated electronic tools that give pre-experience students easier access to available career opportunities;
- Further developing corporate relationships to match the requirements of MBA students and corporate organisations;
- Increasing the number of top international placements for doctoral students.

Alumni Relations. RSM is committed to nurturing its relations and engagement with alumni and realizes that as competition among schools increases, the latter need substantial financial resources to achieve their global goals. Therefore, RSM decided to devote additional time and resources to managing external relations, and in 2008 it established a Corporate and Alumni Relations office (CAR). Highlights of the CAR office's work to date include events such as the RSM Leadership Summits and The Journeys with Erasmus conference series, an alumni reunion for RSM 40 years and the RSM Alumni Day. As the current alumni policy is still not considered strong enough, alumni relations and related activities, such as friend-fundraising will require substantial investments so that they can be further professionalised. This will be done jointly with EUR, given the central focus on alumni. These investments will be made annually for at least the next five years.

Corporate Relations. RSM seeks to be well-rooted in the national and international business world. RSM knowledge aims to make direct impact through research being made accessible to managers by means of teaching, consulting and knowledge exchange projects. RSM interfaces intensively with business through direct individual business contacts, events, projects, centres and other initiatives. RSM focuses on remaining connected with, understanding and anticipating the current and future needs of business and society.

To stimulate internal exchange of information, encourage best practice on reaching out to the corporate world and find ways of cooperation, a

corporate liaison network has been established with the participation from Executive Education & Organizational Development, MBA and MSc Careers, MBA Financial Aid, STAR Student Association and the MBA Student Association. RSM realises that in order to increase the amount of private funding, grants, programme involvement, and endowed chairs, stronger links have to be established with the corporate community.

In 2008, a unique and innovative initiative involving three universities in the province of South Holland, i.e. Erasmus University, Delft University of Technology, and Leiden University, was launched with the Holland Programme on Entrepreneurship B.V. (HOPE). HOPE's central objective is to stimulate and support entrepreneurship and entrepreneurial behaviour. HOPE engages successfully with corporate partners and has an impressive track record of running successful events.

To fulfil its aim, RSM invests in:

- Further integrating its CRM system to manage corporate and alumni relations better;
- Further developing relationships with RSM Advisory Board, drawing on their expertise and networks;
- Strengthening alumni relations as the basis for new and stronger ties with corporations in the Netherlands and beyond.

Centres. Centres are important vehicles for knowledge exchange and valorisation, and can provide a highly effective means of interaction with the outside world. Centres can also be the preferred organisational form for larger grant consortia. RSM has created an organisational infrastructure of centres to support knowledge-exchange activities. They are flexible, can be topical, and can be organised across existing research programmes. Some centres are seen as a showcase for expertise while other engage actively in co-creative activities with corporate partners. See Appendix A for the centres that are currently active in RSM. RSM plans to develop a special interactive exchange portal to make details of all such initiatives readily accessible.

Further reading

Required reading

1. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno Technologijos Universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. - p. 161-189.

2. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 7.

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1. Krishnamoorthi, K.S.; Krishnamoorthi, V.R. (2011). *A First Course in Quality Engineering– Integrating Statistical and Management Methods of Quality*. 2nd ed. CRC Press.
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3. Pyzdek, Th., Keller P. (2012). *The Handbook for Quality Management: A Complete Guide to Operational Excellence*. 2nd ed. McGraw Hill Professional.
4. Cohen, M., Chard, J. (2013). *Quality Management Best Practices. Retrieved from Dobb's The World of Software Development*.

Topic self-check tasks

1. Define general and innovative product quality concepts.
2. What are the types of innovative products?
3. What are the main challenges of innovative product and innovative process design in the twenty-first century?
4. What are the main stages of product life cycle?
5. What is the difference between the main stages of product life cycle and industry life cycle?
6. How would you explain the essence of mass customisation?
7. What is the design for manufacturing and assembly?
8. How quality management is connected to product disposal?
9. Why do we need to deploy quality function?
10. What do we call time-based competition?
11. How prototyping helps in quality assurance?
12. Explain the computer-aided design.
13. What are the legal and ethical issues in product design?
14. How product design correlates to the environment?
15. What are the differences between general and innovative product design processes?

8. MEASURING AND CONTROLLING QUALITY

Conspectus

- Measuring quality performance
- The meaning of quality assurance and quality control
- Differences between quality assurance and quality control
- Quality assurance as a process oriented towards focus on defect prevention
- Quality control focus on defect identification
- Quality problem identification tools (flowchart; tendency chart)
- The meaning of "Quality Costs"
- Categories of quality costs
- Internal failure costs
- External failure costs
- Appraisal costs
- Prevention costs
- Creating an initial quality cost study
- Capturing quality cost tips
- Accounting problems of quality costs

Learning tasks

1. Read and discuss the proposed general material for measuring and controlling quality in higher education and the particular case of Rotterdam School of Management, Erasmus University assurance of learning levels.
2. Find out the study programme quality measurement and control procedures in your university.
3. Discuss the types and categories of study programme quality costs (team work) in relation to quality assurance procedures.

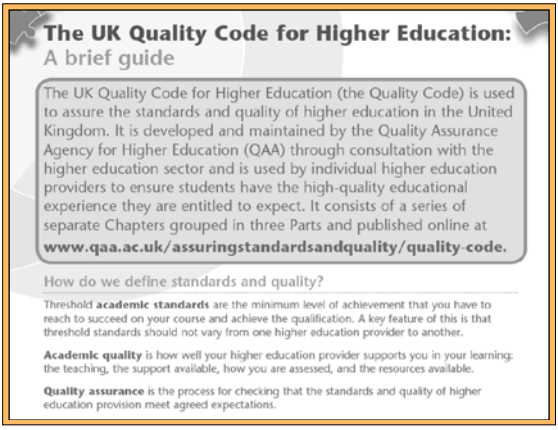
- Calculate your study programme quality costs under four categories and explain its accounting problems in the sixth part of your group project "6. Study programme quality assurance and costs".

Support Material

From a conceptual point of view on quality and CSR, the terms "quality" and "quality systems" refer to the principles and routines that underpin all forms of curriculum development and delivery in higher education. Therefore, this leads to the question of quality as integrity. Quality assurance in higher education aims to meet particular standards for quality in higher education. From a CSR-based perspective, a CSR integrated system is highly reflected both in curriculum development, management and delivering processes as an integrated system.

8.1. Quality assurance and control in higher education

According to Wahlen (2008), "quality assurance in higher education is the activity that aims at maintaining and raising quality, e.g. research, analysis, assessing acceptability, appointment procedures and different mechanisms and systems" (cited in Parri, 2006). Due to the most common practice in higher education quality assurance is usually divided into internal and external quality assurance, focusing on stakeholders of higher education and their opportunities to demonstrate the outcomes.


The UK Quality Code for Higher Education:
A brief guide

The UK Quality Code for Higher Education (the Quality Code) is used to assure the standards and quality of higher education in the United Kingdom. It is developed and maintained by the Quality Assurance Agency for Higher Education (QAA) through consultation with the higher education sector and is used by individual higher education providers to ensure students have the high-quality educational experience they are entitled to expect. It consists of a series of separate Chapters grouped in three Parts and published online at **www.qaa.ac.uk/assuringstandardsandquality/quality-code.**

How do we define standards and quality?

Threshold **academic standards** are the minimum level of achievement that you have to reach to succeed on your course and achieve the qualification. A key feature of this is that threshold standards should not vary from one higher education provider to another.

Academic quality is how well your higher education provider supports you in your learning: the teaching, the support available, how you are assessed, and the resources available.

Quality assurance is the process for checking that the standards and quality of higher education provision meet agreed expectations.

Source: The UK Quality Code for Higher Education: A Brief Guide, 2012.

External quality assurance. Usually, the target of external quality assurance and monitoring is to prove publicly that particular goals set by the higher education institution will be achieved properly (Parri, 2006). Thus, a higher education insti-

tution demonstrates to its external public stakeholders the commitment to fulfilling its mission, at the same time the responsibility in using resources and meeting legal expectations and requirements.

Internal (institutional) quality assurance. European dimension of institutional quality management (2010) describes internal quality assurance as every institutional activity incorporated in all fields of institution's activity with focus on quality and development.

According to the European internal quality assurance provisions and guidelines, the best know-how is recognised in Washington, Illinois universities, Du Page College and others, Dublin descriptors of qualifications, quality assurance guidelines developed by the UK Quality Assurance Agency, provisions of national centres for quality assessment in higher education and methodologies developed by different authors. According to the most general view, internal quality assurance mainly deals with academic issues. The basis is usually developed by information and evidence collection regarding the fulfilment of mission, internal quality insurance system and efficiency of activity.

Parri (2006) proposes to classify quality assurance systems according to the aims and in this context proposes the so-called "A-s of quality" and "E-s of quality" according to McKay and Kember (1999):

- A-s of quality refer to assurance, accountability, audit and assessment. It is strongly connected with control – it refers to quality control. Quality assurance mechanisms are imposed by university administration or the state and they concentrate on ensuring the minimum (often undefined) level of instruction and courses.
- E-s of quality include empowerment, enthusiasm, expertise and excellence of the staff. These aspects characterise quality raising.

Quality assurance systems in higher education are often developed in a number of handbooks and guidelines, proposed by different higher education accreditation agencies (e.g. AHPGS – Accreditation Agency in Health and Social Sciences; AQAS – Agency for Quality Assurance through Accreditation of Study Programmes; The Quality Assurance Agency for Higher Education (QAA), etc.).

According to Harvey (2002), as cited in Parri (2006), quality assurance is based on three main principles: control, accountability and improvement.

- *Accountability* usually requires meeting the preferences of politicians, outside parties and financiers.

• *Control* means that an institution does not merely control the expenditure of resources but also shows how high quality is achievable with the existing resources. It raises the issue of the definition of "good value".

• *Improvement* is probably the most extensive aim of quality assurance. It enables the institution to get the necessary input, refine the process and raise the standards of output in order to meet the goals set.

Parri (2006) states that, therefore, different approaches to higher education and quality and different systems have resulted in various models and levels developed for a quality monitoring system. Usually these models are described in guidelines, proposed by higher education accreditation agencies. Accordingly, the success of a higher education institution regarding the proposed models or levels is measured through quality assessment procedures. From the most general point of view, quality assessment includes assessing the extent to which internal and external criteria of an institution's activity are met. Hernon (2002) states that quality assessment tends to be mission sensitive.

8.2. Assurance of learning levels: RSM case

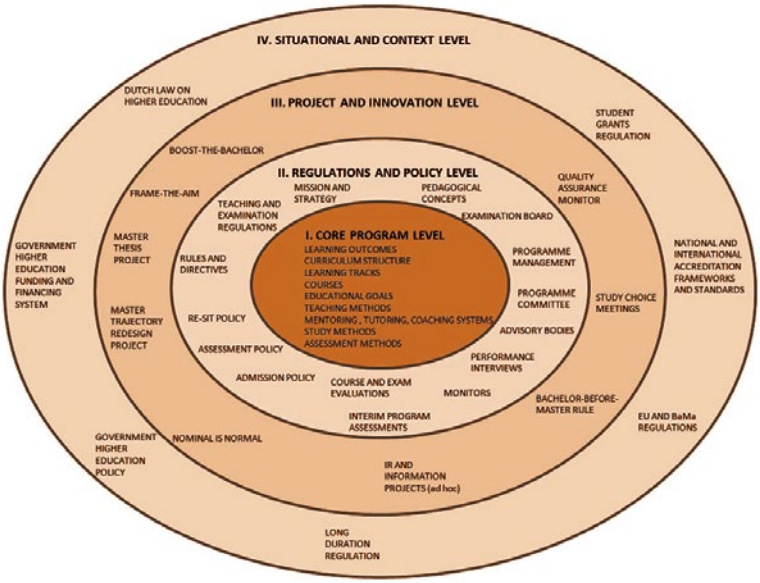
In showing how RSM approaches assurance of learning, four different levels can be distinguished on which assurance of learning processes and measures of achievement is localised (see Fig. 8.1):

• On the core programme level: curriculum, learning tracks, and courses are decided on; learning outcomes of the programmes and educational goals of the courses are formulated; study methods and (direct) assessment methods are determined; and teaching methods and mentoring, tutoring, and coaching systems are established.

• On the regulation and policy level: mission, strategy, and approach is formulated; rules, regulations, and policies are established; the necessary regulatory and advisory bodies are installed; and instruments for monitoring, evaluation and (indirect) assessment are put in place. Activities at this level help guaranteeing the proper functioning and quality of level I elements.

• On the project and innovation level are projects, experiments and working groups of a temporary or *ad hoc* character. For example, changes in the curriculum structure, alterations in assessment methods or teaching methods, or the introduction of new pedagogical insight or new courses are often designed on this level. These are changes and innovations that will affect the structural elements in levels I and II.

• The situational and contextual level comprises all kinds of conditions and agreements – binding, pressing or advised and legal, institutional, national, or international – that directly influence processes on the levels I, II, and III.



Source: Rotterdam School of Management, Erasmus University, 2012

Fig. 8.1. RSM assurance of learning levels.

Structural arrangements are on the core programme level and on the regulation and policy level. The project and innovation levels encompass temporary and *ad hoc* initiatives. Legal and institutional, national, and international conditions, prerequisites and agreements are on the situational and contextual level.

Levels III and IV chiefly deal with *ad hoc* and contextual assurance of learning elements.

8.3. Higher education quality costs

The collection of quality cost data for analysis in higher education institutions requires the following steps (AS 2561-2004, cited in Daunoriene, 2011):

• Identify the quality cost elements.

• Categorise the quality cost elements into prevention, appraisal and failure.

• With the cooperation of the cost accounting staff, arrange corporate accounts for ease of extracting quality cost data.

• Implement the collection of quality cost data for those elements that previously were not costly.

• Establish a programme to extract and provide quality costs on a periodic basis.

The identification of quality cost elements within the overall costs of operations of a higher education institution requires a detailed understanding of the higher education quality assurance process and accounting procedures (Daunoriene, 2011). From four customers' perspectives, the examples of quality costs in higher education institutions are detailed in Table 8.1.

Table 8.1. Quality cost elements in higher education institutions

Quality cost categories	Quality cost elements
Appraisal	Process design Process change Quality audit Preventive maintenance, etc.
Prevention	Test Measurements Evaluations and assessments Problem analysis Inspection Detection etc.
Internal failure	Defect removal (false documents, etc.) Lost process time Costs incurred to lecture to students that eventually fail Bad debts etc.
External failure	Complaints Additional training costs Time lost Lost reputation Lost of income Government subsidies wasted on university failures etc.

Source: Daunoriene, 2011, p.721

Daunoriene (2011) proposes that the quality cost programme in higher education institutions could be simply started from the review of literature, outline of the programme, definition of the elements to include, select a project, talk to accounting and IT departments, collect data, define the reporting programme, present it to the management, define the action plan and collect the data again and again.

Further reading

Required reading

1. Kaziliūnas, *Adolfas. Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 54-60.
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3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 8.

Recommended reading

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2. Chiarini, A. (2012). *From Total Quality Control to Lean Six Sigma–Evolution of the Most Important Management Systems for the Excellence*. Springer.
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5. Ruževičius, J (2007). *Kokybes vadybos metodai ir modeliai: vadovėlis*. Vilniaus Universitetas. 2-asis leid.

Topic self-check tasks

1. Describe three recent situations in which you were directly affected by poor product or service quality.
2. Describe a quality control chart and how it can be used. What are the upper and lower control limits? What does it mean if an observation falls outside the control limits?
3. Explain the differences between x-bar and R-charts. How can they be used together and why would it be important to use them together?
4. Explain the use of p-charts and c-charts. When would you use one rather than the other? Give examples of measurements for both p-charts and c-charts.
5. Explain what is meant by process capability. Why is it important? What does it tell us? How can it be measured?
6. Describe the concept of six-sigma quality. Why is such a high quality level important?
7. Which quality professionals contributed to quality costs?
8. How would you explain P. Crosby's famous phrase "quality is free"?
9. What is a relative share of quality costs compared to overall business costs?
10. How quality costs are categorised?
11. Describe the meaning of every quality costs category.
12. Which category of costs is the most important and should be counted from money-effort perspective and why?
13. What evidence shows quality problems in an organisation?
14. Why is it so important to eliminate quality problems at its earliest stage?
15. Why parts of quality costs are intangible? Are intangible costs important despite the fact that they cannot be expressed in terms of money or time?
16. What are the most important accounting problems of quality costs?
17. Can you give some examples of countries that have already implemented total quality costs accounting?
18. Why accounting of total quality costs is not applied in Lithuania yet?
19. What should be done before the total quality costs accounting is applied in any organisation?

9. CONTINUAL IMPROVEMENT

Conspectus

- The object of quality process management
- The essence of continual improvement
- Kaizen's continual improvement philosophy
- W.Shewhart-Deming cycle
- Process management as improvement process (Sh. Shiba)
- Reactive improvement
- Proactive improvement

Learning tasks

1. Read and discuss the proposed general material for continuous quality improvement in higher education and in the particular case of HAMK University.
2. Find out the study programme quality continuous improvement procedures in your university.
3. Identify and discuss the quality gaps in your study programme process map.
4. Arrange proposals for the continuous improvement of your study programme quality for the last, seventh part of your group project "7. Proposals for continuous improvement of the study programme quality".

Support material

Stakeholder satisfaction and expected outcomes cannot be achieved without the issue of top importance, i.e. continual improvement, in managing quality and performance excellence. Lately, CSR and TQM had been recognised as compatible paradigms, mainly in terms of integrity for continuous improvement. Particular standards, e.g. SA8000, ISO26000 are developed to guide the CSR process based on continual improvement in the

twenty-first century organisations. Higher education institutions are not an exception.

9.1. Continual improvement in higher education

On a global scale, numbers of frameworks and both internal and external policy models exist with embraced CSR issues developed for continual improvement in higher education. Specifically, in higher education continuous improvement tends to be cyclic internally as continuously applied during the whole cycle of every academic year and externally periodical. At the same time, both external accreditation and internal academic programme review is implemented under particular regulation applied.

In an attempt to assure the quality of academic programmes, both accreditation and academic programme review were created specifically for education. However, particular arguments are against accreditation as a continual improvement model. Indeed, critics of accreditation are mainly based, as stated by Bogue (2008), on the presumptions that they only indicate periodic exercise built on low standards. Therefore, sometimes the review of academic programmes is recognised as busywork rather than an actual continual improvement programme. In any case, precise analysis implemented throughout the process of accreditation and academic programme review normally gives valuable additional insights for particular continuous improvement processes in education.

Modern tool techniques described in Chapter 6 assist in identifying the critical process using BSC. Normally, self-assessment implemented throughout all accreditations and academic programme reviews issues critical processes. Those are of primary focus for starting the improvement process. First of all, focusing on mission, products, or services the identified disadvantaged processes are carefully selected and aligned directly to stakeholder needs, expectations and satisfaction. Normally, these considerations in a simplified structure include evidence and documentation concerning:

- organisational values;
- all stakeholders – their needs and requirements;
- unit vision:
  - stretch goals and breakthrough items,
  - alignment with organisational mission, vision, and goals;

- unit key processes:
  - available process data,
  - possible evaluation criteria,
  - fit within the organisational system;
- scope of the process – is it manageable?

It is suggested by experts that for the first improvement initiative, planned to be implemented in a particular higher education institution's unit, it is especially important to ensure the effort that has a high probability of success and is possible to complete in a relatively short period of time, normally in four to six months. Proactive engagement of all stakeholders at this stage is stated as essential for reaching the expected outcomes.

9.2. Case study: continual improvement at HAMK University

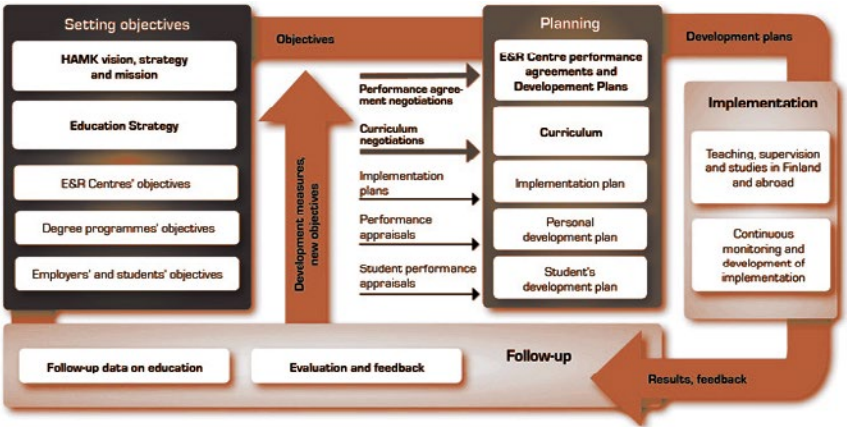
HAMK University's degree programmes comply with the policies of the European Higher Education Area in its scope and competence level and thereby with the approved national Finnish policies. Being part of the European Higher Education Area, HAMK applies the European Credit Transfer and Accumulation System (ECTS) principle. This is determined by student orientation fulfilment in several major aspects: definition of learning outcomes, description of course scopes in terms of the student workload, and the fact that studies are accumulated in the form of credits.

HAMK University has developed a continuous improvement system defined as the Education Quality Cycle (see Fig. 9.1) with the aim to ensure the implementation of continuous improvement of quality in the overall education process. The main quality targets are defined for the following major critical processes: management, planning, implementation, monitoring, evaluation and development.

Management. The core university education and teaching process is managed by HAMK Director of Education. This mainly includes education support services. Education support services, aligned with annual service agreements, take part in teaching, support of studies and overall development of education at HAMK.

At HAMK, education support services are subdivided into four major service groups:

- Student Services;
- Education Development Services;
- Part-Time Education Development Services;
- Further Education Services.



Source: HAMK University, 2013.

Fig. 9.1. The Education Quality Cycle: implementation of continuous improvement in the education process at HAMK University

Planning. Planning is implemented following both external and internal regulation and is organised according to the performance agreement between the Ministry of Education and Culture and HAMK. Degree-awarding education from the quantitative point of view is dimensioned, financed and evaluated. The Municipal Federation's financial plans are the regulations that HAMK should comply with from qualitative point of view. A preliminary decision on the number of starting places for the annual degree programmes is adopted by the HAMK Board and the Board of the Municipal Federation. Afterwards, the number of starting places is modified and approved by HAMK's Rector.

As stated previously, normally particular frameworks or guidelines are developed in a form of internal policy for continuous quality improvement in higher education institutions. The Curriculum Guideline is developed and approved at HAMK to specify the curriculum work. HAMK has set up the Extended Management Team to implement annual updates of

curricula. Firstly, the team starts with defining the outlines for necessary updates. Negotiations of developed outlines are held by the Director of Education through engaging each E&R Centre. Final pre-agreed updates are implemented centrally and uploaded for sharing in electronic SoleOPS system. After final comments and editions, the curricula are finally approved. Course Planning, Implementation and Evaluation Guidelines are developed for ensuring quality in detail for particular courses in the curricula. Options are proposed for students in the Guidelines to choose between different course implementation methods in each course of the curricula. Aiming to meet specific customer needs and requirements, HAMK produced further education services.

Implementation. Degree programmes operate in the E&R Centres and they are responsible for degree-awarding education, studies in the Open University of Applied Sciences, professional specialisation studies, and continuing education. The E&R Centre Directors are tasked by the HAMK Regulations with looking after finances and productivity of their units. At the same time, alignment between HAMK strategies and objectives and the Häme Municipal Federation of Professional Higher Education is monitored and continuously improved due to the financial and productivity outcomes. Each degree programme is run by the Head, i.e. the pedagogical leader of the programme. Several tutor teachers, study advisors and student councillors implement overall supervision and guidance procedures of studies within the degree programme.

Personal study plans (PSP) are proposed for those students who wish to build up their studies of different degree programmes. HAMK internal cross-boundary study arrangements were approved by the Rector in 2009. In addition, the Open University of Applied Sciences and the FUAS alliance offer more extensive selections of degree studies.

Several hundred people daily take part in teaching and studies. They include personnel from the centralised support services and degree programme staff. The central support services are the Admissions Office (joint applications of HAMK and HAMI, transfer students), Student Administration (financial aid, right to study, certificates) and Student Welfare Services (student psychologist, student welfare officer), which all report to the Director of Education.

The Education Development Services maintain the educational guidelines and study guides, coordinate curriculum work and the supervision

of studies, and maintain and develop the student portal and the SoleOPS, ePSP, Mimosa and Winha IT systems.

The Library and Information Services provide guidance and assistance on every campus.

Monitoring and evaluation. Monitoring and evaluation of education is based on statistics and performance data, as well as the annual HOPLAA student surveys on the quality of education. Student consultations form part of the performance agreement negotiations.

The Rector has decreed that the HAMK Student Union is in charge of collecting student feedback from the degree programmes and processing it with the E&R Centre managements. Memos of these discussions are archived by the E&R Centres and the Student Union.

Graduates provide feedback in the OPALA system, which is analysed by the degree programmes.

The excellence of education is measured in the E&R Centres using the following indicators concerning profiles of results:

- attractiveness,
- dropout rate,
- completed degrees,
- average study durations,
- number of students,
- foreign students,
- credits from virtual studies,
- credits from R&D,
- OPALA activity,
- overall HOPLAA scores,
- international student mobility,
- outgoing and incoming staff exchanges (under and over 3 months),
- staff turnover,
- staff job satisfaction, sickness absences.

For the years 2010 to 2013, HAMK was granted the respective "quality stamp" for advanced continual improvement and quality achievements, i.e. the European Diploma Supplement Label for degree certificate appendices, awarded by the European Commission. The respective achievements at

HAMK are evident from special opportunities proposed by membership in FINHEEC Educational Quality and Centre of Excellence Evaluation.

Development. Development of the education and teaching process policies of HAMK in line with the quantitative targets for operations are annually updated in the Municipal Federation's financial plan. A three-year development plan is updated as a part of the performance agreement process. The plan is applied in the procedures of HAMK supervision and development implemented by the E&R Centres. All the collected evaluation and follow-up data in terms of evidence is incorporated into development and continuous improvement. Pedagogical competence improvement opportunities for staff are offered each year.

Rice and Taylor (2003) propose several key questions to find out the potential for continuous improvement in a particular higher education institution, e.g. a university:

- The factors motivating your institution to pursue continuous improvement?
- Which quality concepts that have been successfully applied in higher education deserve emulation on your campus?
- How do colleges and universities become "learning organisations"?
- Is your institution willing to embrace new values and change to a quality-focus culture?
- How can your institution manage change and demonstrate continuous quality improvement?

In general, institutions using continuous improvement strategies, by whatever label, are finding them to be proven methodologies for increasing effectiveness and building institutional responsibility. The broader higher education community would benefit from the opportunities to learn more about the concepts and best practices of institutional effectiveness strategies (Rice and Taylor, 2003). Benchmarking models in higher education are beginning to emerge, and some are on the verge of establishing best practices and benchmark standards throughout higher education.

Further reading

Required reading

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Recommended reading

1. Ryan, Th. P. (2011). *Statistical Methods for Quality Improvement*. 3rd ed. John Wiley & Sons.
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5. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices. Retrieved from Dobb's The World of Software Development*.

Topic self-check tasks

1. Define the object of quality process management.
2. What is the essence of continuous improvement?
3. Do we need to implement quality improvement actions in case our business goes fine?
4. What are the main differences between the Kaizen philosophy and innovations?

5. What are the main advantages of the Kaizen philosophy compared to innovations?
6. What are the main steps of W. Shewhart-Deming's cycle?
7. Is W. Shewhart-Deming's cycle applied nowadays? Where?
8. What are the main features of process management as an improvement process?
9. What types of measures do we use in case of process management?
10. What do we call "reactive improvement"? Define its main steps.
11. What measures do we use in reactive improvement?
12. What are the consequences of proactive improvement and strategy development?
13. What measures do we use in the proactive improvement methodology?
14. How would you define the role of an organisation in solving proactive improvement problems?
15. What are the advantages and disadvantages of quantitative and qualitative data in quality improvement?

10. COURSE SUMMARY: PERFORMANCE EXCELLENCE IN THE TWENTY-FIRST CENTURY ORGANISATION

Conspectus

- Frameworks for Performance Excellence
- Strategic Focus on Performance Excellence
- Measurement and Knowledge Management for Performance Excellence
- Leadership for Performance Excellence
- Building and Sustaining Performance Excellence in the twenty-first century

Learning tasks

1. Read the support material and discuss the challenges of changing globalised quality management and performance excellence in the twenty-first century environment.
2. Prepare a presentation of an innovative study programme quality management project developed by your team.

Support material

The fading industrial era delivered new challenges for the twenty-first century, primarily taking into account an increasing fluid global context at all levels. The result becomes evident: environmental, economic, social and even cultural challenges are no longer simple and merely local or national phenomena.

10.1. Challenges of the changing globalised management environment

In July 2008, during its Summer Event, the International Business Leaders Forum has already stated the multiple directions of changes in the world.

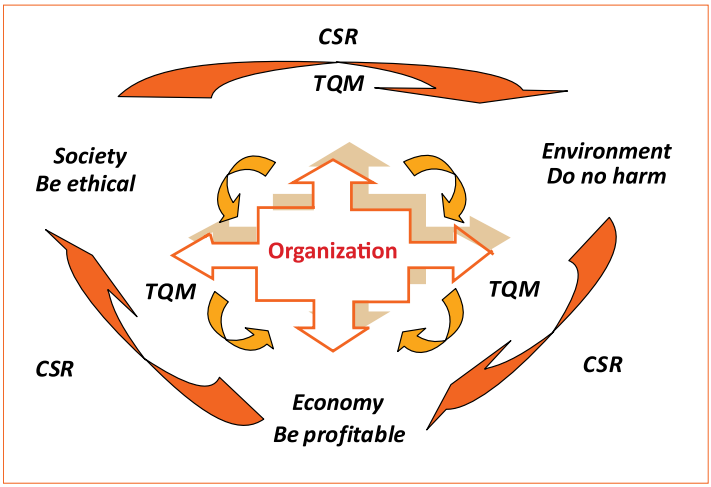
First of all, the world is becoming increasingly complex with a myriad of economic, political and cultural interrelationships between individuals, organisations, nation-states and international agencies. Accordingly, all of these networked relations tend to another development stage in its complexity. The growing challenge posed by China, Brazil and India to the dominance in global affairs of the US and Europe signals that the world is becoming pluralist. In terms of both population growth and a growing variety of government, business and NGO initiatives and institutions, the world becomes crowded. There is a huge gap, i.e. polarisation, between those living in luxury and those living on less than one dollar a day. The world becomes unpredictable and turbulent – even as the global economy has become more integrated – at any one time there are many locations where civil unrest, ethnic warfare or dictatorships prevail. Growing political instability is evident under the loss of influence or dominance of the nation state and emergence of global security threats. And finally, International Business Leaders Forum recognises how the world is becoming vulnerable as global life-support systems are destabilised by biodiversity loss, climate warming, resource depletion and pollution.

Due to the ongoing volatile changes in the globalised world, global industrial giants already focus to redesign management systems for improvements. Numbers of implemented activities include actions in energy efficiency, supplier engagement, stakeholder satisfaction, waste reduction, and a strong focus on stakeholder value. Those and many similar challenges, also other challenges formerly issued by quality gurus are latterly discussed by a range of scholars and practitioners worldwide.

10.2. Holistic management systems: managing for quality and performance excellence in the twenty-first century

There may be plenty of examples, how CSR combined with TQM goes into action as a harmonised system that helps facing current challenges

(JACOBSEN, 2011). Under the above–mentioned research, we may find the essential foundations of holistic management in a combination of TQM principles and CSR. Holistic management includes human, organisational, societal, environmental, and other supplementary factors essential for any organisation. The number of supplementary factors is defined under the thorough analysis of internal and external organisational environmental, societal and economic conditions. However, the proposed holistic management systems compulsorily encompass major TQM and CSR issues (Figure 10.1).



Source: created by author, 2013.

Fig. 10.1. Holistic management system

Four major stages are proposed for the development of holistic management systems:

- consider organisation as an open system, operating in a changing environment;
- identify major and supplementary factors under TQM and CSR principles;
- deal with the interrelations of all these defined factors;
- monitor and implement continuous improvements with the final aims of durability and sustainability.

These stages consist of a number of activities that are not simply implemented and need broader explanations in further research. However, today we may consider some combination of integrated frameworks being on the way towards the holistic management systems. For instance, the international standard ISO 26000 'Guidance on Social Responsibility' encourages voluntary commitment to social responsibility and common guidance on concepts, definitions, and methods for evaluating its efforts. ISO 26000 will attract the attention of those who invested in other ISO frameworks, such as ISO 9000 quality management, ISO 14001 and EMAS environmental management (and audit), SA8000 social accountability, OHSAS 18001 occupational health and safety and other frameworks (GLASSON, 2008). In the United States, the Malcolm Baldrige National Quality Award, the nation's highest recognition for organisational performance excellence, now incorporates "societal responsibilities" as a factor for assessing strategic challenges, governance, and leadership. The award and its criteria encourage companies to go "beyond a compliance orientation" and integrate CSR into strategic corporate planning to guide their operations, improve performance and achieve sustainable results.

One of the most important issues for the debate under emerging new stage in management thought arises from the particular branch of management science theory, i.e. total quality management, which focuses on analysing an organisation's input, conversion, and output activities to increase product quality.

Other important inputs are found in specific aspects in branches of the organisational environment theory. Organisation from open-system's view provides a discourse on feedback, i.e. the responsibility to take from and give back to the environment responsively. In parallel, the contingency theory helps evaluating voluntary decision of managers to react under changing environmental conditions, under which modified structures go into action. Thus, we have come to the corporate social responsibility paradigm, which encompasses the need for shared responsibilities of all sectors and stakeholders due to their attitudes for sustainable world's future.

On that basis, we describe management conditions through moving to the next evolutional stage, taking the shared principles of TQM, CSR and the interrelated interdisciplinary debates into account. We propose that this powerful and yet untapped connection between evolution of quality and its CSR foundations with related management approaches from organisational

environment, systems and contingency schools of management thought is called as a new development stage in management thought, i.e. holistic management.

RSM AND

SUSTAINABILITY

RSM IS COMMITTED TO PROMOTING GLOBAL SOCIAL RESPONSIBILITY, SUSTAINABILITY AND THE HIGHEST ETHICAL STANDARDS IN RESEARCH, TEACHING AND IN EVERY SERVICE WE PROVIDE.

CRITICAL IMPORTANCE

In 2012, we appointed additional faculty and staff who dedicate themselves to embedding these issues into coursework, initiatives and school-wide activities. We want to ensure that our students understand and acknowledge that their managerial decisions profoundly affect society, and it is our ambition that as graduates they will be equipped to make critical decisions in sustainable business operations wisely. RSM considers sustainability to be of such critical importance that we have made it one of our four themes (see page 22).

THE PRME REPORT

In November 2012, RSM issued the latest statement of its continuing activities in global social responsibility, sustainability and ethics according to the six Principles for Responsible Management Education (PRME). This UN-based global initiative promotes corporate responsibility and sustainability in business education.

RSM's PRME Report is an ambitious but realistic strategic plan driven by our Sustainable RSM initiative. It offers guidance to ensure that RSM meets its responsibilities and realises its ambitions with the full engagement of students, faculty and staff. Previous PRME reports were produced in 2008 and 2010.

BEYOND GREY PINSTRIPES

The Beyond Grey Pinstripes report from the Aspen Institute assesses how global business schools integrate issues relating to social and environmental stewardship into their curricula. In 2011-2012, RSM was ranked third highest in Europe, and in the top 20 out of 100 business schools globally for its MBA programmes.

BLOOMBERG BUSINESSWEEK SURVEY FOR SUSTAINABILITY

RSM was rated fifth in the world for sustainability in a Bloomberg Businessweek global survey of MBA students from the Class of 2012. RSM's MBA programmes were the only ones outside of the USA to reach the top 10, making them the highest-placed European MBAs for sustainable business programmes.

BLOOMBERG BUSINESSWEEK SURVEY FOR DIVERSITY

In a separate Bloomberg Businessweek survey of MBA schools, RSM was ranked seventh for diversity. Diversity is defined as the combination of country of origin, gender and career backgrounds. RSM has a long history of diversity with around 90 per cent of participants in RSM MBA programmes being non-Dutch.

Source: Rotterdam School of Management. Annual report, 2012, p.21.

Further reading

Required reading

1. Evans, J.R., Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence, 9th ed. Thomson Learning*, Inc., Cengage South-Western. – Part III, Chapters 10-14.

Recommended reading

1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.-205-279.
2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p. 313-342
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6. Oakland, J.S.S. (2012). TQM: Text with Cases. Routledge.

Topic self-check tasks

1. Explain the meaning of frameworks for performance excellence.
2. What frameworks for performance excellence do you know?
3. Why contemporary organisations should have strategic focus on performance excellence?
4. How measurement and knowledge management are applied for performance excellence?
5. What is the role of leadership for performance excellence?
6. How to build and sustain performance excellence in the twenty-first century?

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Appendix 1.

DETAILED COURSE GUIDE

Purpose of the course unit

The purpose of this course unit is to develop understanding of quality philosophies, quality management methods and tools, which are synthesised and applied in contemporary organisations to ensure high quality of performance, products and services.

Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
- Students will demonstrate knowledge and understanding of the basic concepts of quality and quality management, quality dimensions, will be able to apply theoretical approaches in practice; - will be able to collect, analyse and critically assess the quality management concepts and models in different contexts	Problem-based learning, discussion-based teaching, active learning methods (panel discussion), exploratory methods (practical tasks: collection, accumulation and synthesis of scientific information, analysis, summary)	Written assignment; final exam
- Students will be able to apply acquired theoretical knowledge in practice, by analysing cases of modern practical application of scientific quality management investigations in solving practical quality problems; - will demonstrate individual critical thinking and analytical skills, ability to generalise the results, assigning them to the appropriate quality management concepts.	Problem-based learning, discussion-based teaching, active learning methods (panel discussion), exploratory methods (practical tasks: critical analysis)	Written assignment; final exam

- Students will be able to assess the quality management system in relation to the overall organisation's strategy and its competitors; - will develop ability to analyse and assess an organisation's processes in the context of quality management systems	Active learning methods (panel discussion), exploratory methods (practical tasks: critical analysis)	Practical exercises, discussions in seminars, final exam.
- Students will develop the ability to analyse and assess an organisation's quality system and procedures; - will be able to collect, organise and analyse information about the contemporary organisation's quality processes and to develop evidence-based quality improvements	Active learning methods (panel discussion), exploratory methods (practical tasks: critical analysis)	Practical exercises, discussions in seminars, final exam.
- Students will demonstrate knowledge of international quality management standards, awards, and their main provisions and scope; - will understand quality management as system from organisational, national and international perspectives; - will be able to apply specific knowledge, in cases dealing with the practical application of quality criteria for contemporary organisation's quality assessment and improvements.	Problem-based learning, discussion-based teaching, active learning methods (panel discussion), exploratory methods (practical tasks: critical analysis)	Practical exercises, discussions in seminars, final exam.

Course contents									
Topics	Contact work hours and planned learning activities							Independent work hours and tasks	
	Lectures	Consultations*	Seminars	Training exercises	Laboratory work	Assessment	All contact work hours	Independent work hours	Tasks
1. Introduction to Quality: Foundations of Quality Management	2						**2**	**8**	Literature analysis and synthesis, brainstorming, discussions
2. Evolution of Quality Management: from Product Quality to Performance Excellence	4		4				**8**	**8**	Literature analysis and synthesis, written assignment (critical analysis)
3. Customer Focus: Internal and External Quality Stakeholders	4		4				**8**	**8**	Teamwork, peer-review, discussions
4. Workforce Focus: Human Resource Management (HRM) for Quality and Performance Excellence	4		4				**8**	**8**	Teamwork, peer-review, discussions

5. Process Focus: Understanding the Process Approach Methodology	4		4				**8**	**8**	Teamwork, peer-review, discussions
6. Modern Tools and Techniques for Quality Management	2		4				**6**	**8**	Teamwork, peer-review, discussions
7. Design for Quality and Product/Process Excellence	2		4				**6**	**8**	Teamwork, peer-review, discussions
8. Measuring and Controlling Quality	4		4				**8**	**8**	Teamwork, peer-review, discussions
9. Continuous Improvement	2		4				**6**	**8**	Teamwork, peer-review, discussions
10. Course Summary: Performance Excellence in The 21st Century Organization	4						**4**	**8**	Literature analysis and synthesis, project presentation, discussions
Examination						2	**2**	**16**	Preparation for the final exam
Overall	**32**		**32**			**2**	**66**	**96**	

**Direct consultations are provided during the seminars while implementing teamwork tasks through peer-review and discussions; additional individual consultations (on demand) are provided via regular scheduled instructor's consulting hours (every Thursday, 3 academic hours).*

Proposed Assessment System

Assessment strategy	Weighting percentage	Period or date of assessment	Assessment criteria
Problem analysis	10	Before the final exam	Written assignment: critical analysis and synthesis of contemporary scientific quality management investigations and identification of classical quality conceptions (individual work). Assessment is based on the following criteria: - The structure and size: the structure of the written assignment is clear and logical, all the necessary components are present (introduction, which presents the theme, goals, objectives, research methods; analysis and synthesis, where the analysis, synthesis and interpretation of the case are performed, conclusions), and the size of the work is appropriate (up to 4 pages) (1 point); - Quality of analysis, synthesis, interpretation and conclusions: the analysis is complete, the findings are reasoned, formulated on the basis of the analysed material (8 points), if analysis and synthesis have been performed, but are incomplete, the findings are not always reasonable, the work is assigned with 3-7 points; superficial analysis is given 0 points; - Scientific style and research culture: proper treatment of the scientific sources and citations, wording and style fit the scientific requirements (1 point); - Written assignment is not prepared - 0 points.

Project (group project)	30	Step-by-step prepared during the seminars, presentation and assessment is implemented during the final lecture	Assessment of project quality is implemented under the following criteria: - The structure and size: the structure of the project is clear and logical, all the necessary components are present (introduction, which presents the topic, goals, objectives, research methods; implemented tasks and quality project argumentation, model presentation), and the work is of appropriate size (up to 15 pages) (1 point); - Quality of implementation of project tasks, argumentation and final quality model development: the quality model is complete, the findings are reasoned, formulated on the basis of implemented tasks (6 points); if a model has been developed, but is incomplete, the findings are not always reasonable, the work is assigned with 2-4 points; superficial model is given 0 points; - Scientific style and research culture: the proper format of scientific sources and citations, writing style fits the scientific requirements (1 point); - Project presentation in the classroom: the ability to engage listeners, logical thought and formulation of argumentation and conclusions, level of answers to additional questions (2 points); - Project not prepared - 0 points.

Examination	60	After course completion	Test - 15 questions of choice. One correct answer score value of 0.3 points. Total number of possible points - 5. Practical tasks - demonstration of practical skills (5 practical tasks). The ability to identify quality problems from the given data, to analyse its causes and synthesise methods of action for quality problem solving is assessed. One task score value of 1 point. Total number of possible points - 5.

Required reading

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Recommended course reading

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DETAILED TOPIC GUIDE

	1 Topic	Workload by hours
Topic	Introduction to Quality: Foundations of Quality Management	-
Conspectus	Quality from organisational theories' perspective Defining quality Judgmental perspective Product-based perspective User- based perspective Value-based perspective Manufacturing-based perspective Integrating perspectives on quality Customer-driven quality Quality as a management framework	**2** lectures
Required reading	Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.- p.15-52. Vanagas, Povilas. *Visuotinės kokybės vadyba*: *vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p.15-38.	**6** independent work hours
Recommended reading	Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part I. Adetule, P.J. (2011). *The Handbook on Management Theories*. AuthorHouse. Kaziliunas, A. (2006). *Kokybės analizė, planavimas ir auditas.* Vilnius: MRU leidybos centras. Stoner, J.A.F. (2005). *Vadyba*. 4th ed. Kaunas: Poligrafija ir informatika. Taylor, F.W. (2005). *The Principles of Scientific Management*. New York, NY, USA and London, UK: Harper & Brothers, Also available from Project Gutenberg./ Taylor, Frederick Winslow. Moksliniai valdymo principai = The principles of scientific management / Frederick Winslow Taylor ; translated by Vladimiras Obrazcovas. Vilnius : Eugrimas.	-

	Goetsch, D.L.; Davis, S.B. (2013). *Quality Management for Organizational Excellence– Introduction to Total Quality: International Edition*. 7th ed. Pearson Education, Limited. Avery, Ch.; Zabel, D. (2013). *Quality Management Sourcebook*. Routledge.	
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching	-
Learning methods	Literature analysis, brainstorming (quality concept map), presentation, active learning methods (discussion)	*(2 hours during the lectures; 8 independent work hours)*
Self-check tasks	How would you define quality? Describe the object of quality management. What are the main attitudes towards different quality conceptions? Which F. Taylor's principles have positive and negative impact on quality management? What are the main F. Gilbreths' investigations concerning labour quality improvement? What factors of H. Ford's production management system have positive and/or negative impact on quality? What is the contribution of H.Gantt towards quality management? Which of H. Fayol's principles of management are similar to quality management principles? Who has justified the benefits of team-work? How Weber's Bureaucratic Approach may contribute to quality management? How Behavioural Management Theory contributes to total quality management? How the systems approach, the socio-technical approach, and the contingency or situational approach is interconnected with modern quality management? How can you define quality management aspects from particular organisational theory perspective?	**2** independent work hours

Assessment methods	Presentation of quality concept map; final exam	-
Examination	Which F. Taylor's principles have positive and negative impact on quality management? What are the main F. Gilbreth's investigations concerning labour quality improvement? Which factors of H. Ford's production management system have positive and/or negative impacts on quality? What is the contribution of H.Gantt towards quality management? Which of H. Fayol's principles of management are similar to quality management principles? How Weber's Bureaucratic Approach may contribute to quality management? How Behavioural Management Theory contributes to total quality management? How the systems approach is interconnected with modern quality management? How the socio-technical approach is interconnected with modern quality management? How the contingency or situational approach is interconnected with modern quality management?	-
	Overall	**10**

	2 Topic	**Workload by hours**
Topic	Evolution of Quality Management: from Product Quality to Performance Excellence	-
Conspectus	• Managing for quality in ancient times; • Industrial revolution and the emergence of quality problems; • Statistical quality control stage: "Quality revolution" in Japan (E. Deming; K. Ishikawa; J. Juran, G. Taguchi); • Quality assurance stage: quality costs, total quality management, zero defects;	**4** lectures **4** seminars

	• Total Quality Management stage: "Quality revolution" in USA (The Malcolm Baldridge National Quality Improvement Act; Stevenson-Wydler Technology Innovation; Federal Quality Prototype Award; President's Award governmental agencies); Ph. Crosby; • Quality management contribution towards economic development; • International and regional quality assurance organisations; • European quality management policy and quality development programmes; quality management policy and quality development programmes in Lithuania; • Managing for quality in the twenty-first century: current and future challenges for quality	
Required reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba : vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.- p.53-81. 2. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p. : iliustr. ISBN 9955097485.- p.39-105. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part I.	**6** independent work hours
Recommended reading	1. Knowles, G. (2012). *Managing Quality in The 21st Century: Principles and Practice*. Graeme Knowles & Ventus Publishing ApS.- p.11-18. 2. Goetsch, D.L.; Davis, S.B. (2013). *Quality Management for Organizational Excellence– Introduction to Total Quality: International Edition*. 7th ed. Pearson Education, Limited.	-

	3. Juran, J.M. (2010). *Juran's Quality Handbook: The Complete Guide to Performance Excellence*. 6th ed. McGraw-Hill Professional, New York. 4. Oakland, J.S.S. (2012). *Oakland on Quality Management*. 3rd ed. Routledge. 5. Oakland, J.S.S. (2012). *TQM: Text with Cases*. Routledge. 6. Sapru R.; Schuchard R. (2011). *CSR and Quality: A Powerful and Untapped Connection*. The Global Voice of Quality. ASQ and BSR Quality Press.	
Teaching methods	Traditional lecture, demonstration of excerpts from documentary films, interactive discussion-based teaching, seminar, practical tasks.	-
Learning methods	Literature analysis and synthesis, exploratory methods (practical tasks: collection and accumulation of scientific information, critical analysis, summary) critical analysis of quality and quality management understanding in different quality conceptions; critical analysis and evaluation of modern scientific quality management investigations and identification of classical quality conceptions (individual work, written assignment); active learning methods (discussion)	*(4 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. What was the role of the pursuit of quality in a series of historical shifts in thinking and approach? 2. When is it easier to achieve quality from organisational point of view: in ancient or in current times? 3. Which modern quality management principles can be found in ancient civilisations? 4. What was the impact of industrial revolution on employment effectiveness from quality perspective? 5. Can you describe the main features of statistical quality control methods? 6. What are the advantages and disadvantages of high level job share? 7. y-first century, i.e. in the innovation age?	**2** independent work hours
Assessment methods	Written assignment; final exam	-

Examination	1. Describe modern quality management principles that can be found in ancient civilisations. 2. Why quality problems emerged in industrial revolution times? 3. What are the main applicability areas of statistical quality control methods? 4. Why was it necessary to develop quality management in Japan after the World War II? 5. Are the statistical quality control methods relevant in the innovation age? 6. What are the main features of quality assurance stage? 7. Describe the conditions for the development of total quality management. 8. How did the concept "Quality revolution in USA" originate? 9. What are the main features of total quality management? 10. How quality management contributes towards economic development? 11. What are the main changes in public sector institutions after they implement total quality management principles? 12. List the main ideas on which the quality vision of Europe is based 13. What is the mission and responsibilities of European Organization for Quality? 14. What are the main EFQM responsibility areas? 15. Which of foreign best quality management practices might be applied in the Lithuanian higher education system? Give arguments. 16. aging quality in the twenty-first century, i.e. in the innovation age? 17. What are the similarities and differences of the Lithuanian quality management policy, compared to the European quality management policy? 18. Why E. Deming; K. Ishikawa; J. Juran, G. Taguchi, A. Feigenbaum, Ph. Crosby, D.A. Garvin are called 'quality gurus'? 19. Are the ideas of 'quality gurus' still alive in the twenty-first century? Give some examples.	-

	20. What are the main principles of managing for quality in the twenty-first century? 21. What are the main challenges for man	
	Overall	**16**

	3 Topic	**Workload by hours**
Topic	Customer Focus: Internal and External Quality Stakeholders	-
Conspectus	• Stakeholder definition and classification • The importance of key people, groups of people, or institutions that may significantly influence the success of achieving the quality targets • Conducting stakeholder analysis in the early stages of planning a quality improvement initiative • Stakeholder analysis • Identification of people, groups, and institutions that will influence quality (either positively or negatively) • Anticipation of the kind of influence, positive or negative, these groups will have on quality • Development of strategies to obtain the most effective support possible for a quality initiative and reduce any obstacles preventing the successful implementation of your quality programme.	**4** lectures **4** seminars
	• External stakeholder satisfaction • Internal stakeholder satisfaction • Stakeholder satisfaction assessment (Swedish Customer Satisfaction Index; American Customer Satisfaction Index; European Customer Satisfaction Index)	
Required reading	1. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p. : iliustr. ISBN 9955097485.- p.125-159. 2. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western.- Part 1, Chapter 3.	**6** independent work hours

	3. Kaziliūnas, Adolfas. *Kokybės vadyba : vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.- p.90-91.	
Recommended reading	1. Freeman, R.E.; Harrison, J.S.; Wicks, A.C. (2010). *Stakeholder Theory: The State of the Art*. Cambridge University Press, UK. 2. Freeman, R.E. (2010). *Strategic Management: A Stakeholder Approach*. Cambridge University Press, UK.	-
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching; practical exercise	-
Learning methods	Literature analysis and synthesis, active learning methods: panel discussion, brainstorming and practical exercise: development of a study programme quality stakeholder analysis matrix (team work), short presentation	*(4 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Define the general stakeholders of the organisation? 2. How internal and external stakeholders may influence the organisation's quality targets? 3. Is it possible to align the internal and external stakeholders' interests? 4. Describe the internal and external stakeholders of the study programme quality. 5. Why stakeholder analysis should be implemented in the early stages of planning a quality improvement initiative? 6. What techniques might be applied to stakeholder analysis? 7. What are the major steps of the stakeholder analysis? 8. Explain why is it important to identify people, groups, and institutions that will influence quality either positively or negatively?	**2** independent work hours

	9. Why we need to anticipate a kind of influence of stakeholder groups? 10. What are the types of strategies to obtain the most effective support for a quality initiative? 11. What are the strategies to reduce any obstacles preventing the successful implementation of a quality programme? 12. Which – external or internal – satisfaction of stakeholders is more important? 13. Why Customer Satisfaction Index in important in quality management? 14. Describe the main differences between the Swedish Customer Satisfaction Index, American Customer Satisfaction Index and the European Customer Satisfaction Index.	
Assessment methods	Development of a study programme quality stakeholder analysis matrix (first part of the group project development, team work); final exam	-
Examination	1. Who are the general stakeholders of an organisation? 2. How external stakeholders may influence the organisation's quality targets? 3. Why internal stakeholder interests are important for organisation's quality targets? 4. Is it possible to achieve full compatibility of internal and external stakeholder interests? 5. Why stakeholder analysis should be implemented in the early stages of planning a quality improvement initiative? 6. What techniques might be applied to a stakeholder analysis? 7. What are the major steps of a stakeholder analysis? 8. Why we need to anticipate a kind of influence from stakeholder groups? 9. What are the types of strategies to obtain the most effective support for a quality initiative? 10. What are the strategies to reduce any obstacles to successful implementation of a quality programme?	-
	Overall	**16**

	4 Topic	Workload by hours
Topic	Workforce Focus: Human Resource Management (HRM) for Quality and Performance Excellence	-
Conspectus	• The meaning of HRM in total quality management • Strategic planning of human resources for quality • Organizational climate and organisational culture • Organisational culture and total participation • Organisational culture and effectiveness	**4** lectures **4** seminars
	• Features of organisational culture in organisations with implemented total quality management • Organisational culture changes during the total quality management implementation process • Quantitative and qualitative organisational culture research methods • How to implement HRM for total quality: alignment; authority; capability; commitment. • Teamwork principles and organising	
Required reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba : vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.- p.152-162. 2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p.227-253. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western.- Part 1, Chapter 4.	**6** independent work hours
Recommended reading	1. Cohen, M.; Chard, J. (2013). Quality Management Best Practices. Retrieved from Dobb's The World of Software Development. 2. Juran, J.M. (2003). *Juran on Leadership for Quality: An Executive Handbook*. Mc Graw-Hill, Inc., New York.	-

	3. Müller, M. (2012). *Internal Change Management through the introduction of a Quality Management System*. GRIN Verlag. 4. Münster-Kistner, D.F.; Freiherr, W. (2012). *Quality Management– Vision of the demographic changes*. GRIN Verlag.	
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching, practical exercise	-
Learning methods	Literature analysis and synthesis, active learning methods (panel discussion, practical exercise): HRM principles and criteria for study programme quality assurance (team work), presentation	*(4 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Explain the meaning of HRM in total quality management. 2. What are the basic strategic planning steps in human resources for quality? 3. Why organisational climate and organisational culture is important in managing quality? 4. How organisational culture and total participation contributes to quality management? 5. Explain the impact of organisational culture towards effectiveness? 6. What are the main features of organisational culture in organisations with implemented total quality management? 7. What organisational culture changes are undergone during the process of implementation of total quality management? 8. What quantitative and qualitative organisational culture research methods are used in managing quality? 9. How to implement HRM for total quality: alignment; authority; capability; commitment? 10. What are the principles of teamwork?	**2** independent work hours

Assessment methods	HRM principles and criteria for study programme quality assurance (second part of the group project development, team work); final exam	-
Examination	1. Explain the meaning of HRM in total quality management. 2. What are the basic strategic planning steps in human resources for quality? 3. Why organisational climate and organisational culture is important in managing quality? 4. How organisational culture and total participation contributes to quality management? 5. Explain the impact of organisational culture towards effectiveness? 6. What are the main features of organisational culture in organisations with implemented total quality management? 7. What organisational culture changes are undergone during the process of implementation of total quality management? 8. What quantitative and qualitative organisational culture research methods are used in managing quality? 9. How to implement HRM for total quality: alignment; authority; capability; commitment? 10. What are the principles of teamwork?	-
	Overall	**16**

	5 Topic	**Workload by hours**
Topic	Process Focus: Understanding the Process Approach Methodology	-
Conspectus	• Understanding the process approach • Process Approach Methodology: • Step one: establish the responsibilities for managing the process • Step two: define the process • Step three: identify customer requirements • Step four: establish measures of process performance	**4** lectures **4** seminars

	• Step five: compare process performance with customer requirements • Step six: identify process improvement opportunities. • Step seven: improve process performance • Support for the system approach	
Required reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba : vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p. : lent. ISBN 9789955190714.- p.53-89. 2. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.107-124. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western.- Part 1, Chapter 5.	**6** independent work hours
Recommended reading	1. Chiarini, A. (2012). *From Total Quality Control to Lean Six Sigma–Evolution of the Most Important Management Systems for the Excellence*. Springer. 2. Jensen, T.P. (2010). *Continuous improvement with Business Process Management and Enterprise Architecture together*. IBM Corporation. 3. Juran, J.M. (2010). *Juran's Quality Handbook: The Complete Guide to Performance Excellence*. 6th ed. McGraw-Hill Professional, New York. 4. Pyzdek, Th.; Keller P. (2012). *The Handbook for Quality Management: A Complete Guide to Operational Excellence*. 2nd ed. McGraw Hill Professional.	-
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching; practical exercise	-

Learning methods	Literature analysis and synthesis; critical analysis; active learning methods: panel discussion, team work (study programme process development)	*(4 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Explain the meaning of process approach in quality management. 2. What are the steps of process approach methodology? 3. How to establish the responsibilities for managing the process? 4. What sources of information would you use to properly define the particular process? What techniques help defining the process? 5. What techniques are applied for identifying customer requirements? 6. What are the basic measures of process performance? 7. How to compare process performance with customer requirements? 8. How process improvement opportunities might be identified? 9. Explain how to improve process performance? How often it should be implemented? 10. How system approach supports quality process management?	**2** independent work hours
Assessment methods	Study programme process development (third part of the group project development, team work); final exam	-
Examination	1. Explain the meaning of process approach in quality management. 2. What are the steps of process approach methodology? 3. How to establish the responsibilities for managing the process?	-

	4. What sources of information would you use to properly define the particular process? What techniques help in defining the process? 5. What techniques are applied in identifying customer requirements? 6. What are the basic measures of process performance? 7. How to compare process performance with customer requirements? 8. How process improvement opportunities might be identified? 9. Explain how to improve process performance? How often it should be implemented? 1. How system approach supports quality process management?	
	Overall	**16**

	6 Topic	**Workload by hours**
Topic	Modern Tools and Techniques for Quality Management	-
Conspectus	• Self-Assessment models of organisation's quality level • Strategic levels of quality goals • Quality management awards and frameworks • ISO 9000 Series Standards • Six sigma as a quality framework • International quality award programmes (Deming Prize; Malcolm Baldrige of National Culture; European Quality Award; Lithuanian National Quality Prize) • Organisation's quality politics and main targets; • Strategic planning steps for quality targets	**2** lectures **4** seminars
Required reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba : vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 53-89.	**6** independent work hours

	2. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p. : iliustr. ISBN 9955097485.- p.107-124. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 6.	
Recommended reading	1. Adomenas, V. (2011). *Standartizuota vadybos sistema: nuo kurimo iki tobulinimo: mokomoji knyga*. Kaunas: KTU. 2. Krishnamoorthi, K.S.; Krishnamoorthi, V.R. (2011). *A First Course in Quality Engineering– Integrating Statistical and Management Methods of Quality*. 2nd ed. CRC Press. 3. Stamatis, D.H. (2012). *Essential Statistical Concepts for the Quality Professional*. CRC Press. 4. Petrozzi, S. (2012). *Practical Instrumental Analysis– Methods, Quality Assurance and Laboratory*. John Wiley & Sons. 5. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices. Retrieved from Dobb's The World of Software Development*.	-
Teaching methods	Traditional lecture, demonstration of excerpts from documentary films, seminar, interactive discussion-based teaching; practical exercise	-
Learning methods	Literature analysis and synthesis; critical analysis of applicability of the selected self-assessment models to study programme quality self-assessment (team work); active learning methods (panel discussion, brainstorming): formulation of quality vision and main targets for the study programme (team work), presentation;	*(2 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*

Self-check tasks	1. Describe the major self-assessment models of an organisation's quality level; 2. How would you define different strategic levels of quality goals? 3. Why is it important to know different strategic levels of quality goals? 4. How benchmarking is applied for organisation's quality level evaluation? 5. What is the role of ISO 9000 Series Standards in organisation's quality assessment? 6. Describe the process how any organisation can become certified by ISO 9000 Series Standards. 7. Explain the main idea of six sigma methodology. 8. Which quality guru has direct relation to the Japan Quality Award and why? 9. Describe the process of Malcolm Baldrige 10. National Quality Award. 11. What are the benefits of holding the European Quality Award for an organisation? 12. Find out how to apply the European Quality Award model to a particular organisation. 13. What are the main differences between Japan Quality Award, Malcolm Baldrige National 14. Quality Award, the European Quality Award and the Lithuanian National Quality Prize? 15. Who plays the major role in formulating the 16. organisation's quality politics and vision? 17. How quality targets should be formulated in order to achieve quality goals effectively? 18. What are the basic elements of strategic quality planning?	**2** independent work hours
Assessment methods	Self-assessment of study programme quality, formulation of quality vision and main targets for the study programme (fourth part of the group project development, team work); final exam	-

Examination	1. What are the major self-assessment models of an organisation's quality level? 2. Why it is important to know different strategic levels of quality goals? 3. What are the main conditions for applying 4. benchmarking? 5. How any organization can become certified by ISO 9000 Series Standards? Describe the process. 6. What is the main idea of six sigma methodology? 7. To what country contributes the Malcolm Baldrige National Quality Award? 8. What are the benefits of holding European Quality Award for an organization? 9. What are the main differences between European Quality Award and Lithuanian National Quality Prize? 10. How quality targets should be formulated in order to achieve quality goals effectively? 11. What are the basic elements of strategic quality planning?	-
	Overall	**14**

	7 Topic	**Workload by hours**
Topic	Design for Quality and Product/Process Excellence	-
Conspectus	• Product/process quality concept: the increasing importance of innovative product/process design in the twenty-first century • product life cycle and industry life cycle • mass customisation • design for manufacturing and assembly • product disposal • quality function deployment • time-based competition • prototyping • computer-aided design • legal and ethical issues in product design • product design and the environment • overview of innovative product design process	**2** lectures **4** seminars

Required reading	1. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.161-189. 2. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 7.	**6** independent work hours
Recommended reading	1. Krishnamoorthi, K.S.; Krishnamoorthi, V.R. (2011). *A First Course in Quality Engineering– Integrating Statistical and Management Methods of Quality*. 2nd ed. CRC Press. 2. Petrozzi, S. (2012). *Practical Instrumental Analysis– Methods, Quality Assurance and Laboratory*. John Wiley & Sons. 3. Pyzdek, Th.; Keller, P. (2012). *The Handbook for Quality Management: A Complete Guide to Operational Excellence*. 2nd ed. McGraw Hill Professional. 4. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices*. Retrieved from Dobb's The World of Software Development.	-
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching; practical exercise	-
Learning methods	Literature analysis and synthesis, active learning methods (panel discussion and practical exercise: innovative design development for a study programme (team work), presentation	*(2 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Define general and innovative product quality concepts. 2. What are the types of innovative products? 3. What are the main challenges of innovative product and innovative process design in the twenty-first century? 4. What are the main stages of product life cycle?	**2** independent work hours

	5. What is the difference between the main stages of product life cycle and industry life cycle? 6. How would you explain the essence of mass customisation? 7. What is the design for manufacturing and assembly? 8. How quality management is connected to product disposal? 9. Why do we need to deploy quality function? 10. What do we call time-based competition? 11. How prototyping helps in quality assurance? 12. Explain computer-aided design. 13. What are the legal and ethical issues in product design? 14. How product design correlates to the environment? 15. What are the differences between general and innovative product design processes?	
Assessment methods	Innovative design development for the study programme (the fifth part of the group project development, team work); final exam	-
Examination	1. What are the types of innovative products? 2. What are the main challenges of innovative 3. product and innovative process design in the twenty-first century? 4. What is the difference between the main stages of product life cycle and industry life cycle? 5. How would you explain the essence of mass customisation? 6. What is the design for manufacturing and assembly? 7. Why do we need to deploy quality function? 8. How prototyping helps quality assurance? 9. What are the legal and ethical issues in product design? 10. How product design correlates to the environment? 11. What are the differences between general and innovative product design process?	-
	Overall	**14**

	8 Topic	Workload by hours
Topic	Measuring and Controlling Quality	-
Conspectus	• Measuring quality performance • The meaning of quality assurance and quality control • Differences between quality assurance and quality control • Quality assurance as a process oriented towards focus on defect prevention • Quality control as product oriented towards focus on defect identification • Quality problem identification tools (flowchart; tendency chart); • The meaning of "Quality Costs" • Categories of quality costs • Internal failure costs • External failure costs • Appraisal costs • Prevention costs • Creating an initial quality costs study • Capturing quality cost tips • Accounting problems of quality costs	**4** lectures **4** seminars
Required reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius : Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 54-60. 2. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas : Technologija, 2004. 426 p.: iliustr. ISBN 9955097485. p. 211-225. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 8.	**6** independent work hours

Recommended reading	1. Mitra, A. (2012). *Fundamentals of Quality Control and Improvement*. John Wiley & Sons. 2. Chiarini, A. (2012). *From Total Quality Control to Lean Six Sigma–Evolution of the Most Important Management Systems for the Excellence*. Springer. 3. Juran, J. M. (2010). *Juran's Quality Handbook: The Complete Guide to Performance Excellence*. 6th ed. McGraw-Hill Professional, New York. 4. Wood, D.C. (2013). *Principles of Quality Costs–Financial Measures for Strategic Implementation of Quality Management*. 4th ed. American Society for Quality, Quality Management Division, USA. 5. Ruževičius, J. (2007). *Kokybės vadybos metodai ir modeliai: vadovėlis*. Vilniaus universitetas. 2-asis leid.	-
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching, practical exercise	-
Learning methods	Literature analysis and synthesis, active learning methods (panel discussion, practical exercise: calculation of study programme quality costs (team work), presentation	*(4 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Describe three recent situations in which you were directly affected by poor product or service quality. 2. Describe a quality control chart and how it can be used. What are the upper and lower control limits? What does it mean if an observation falls outside the control limits? 3. Explain the differences between x-bar and R-charts. How can they be used together and why would it be important to use them together? 4. Explain the use of p-charts and c-charts. When would you use one rather than the other? Give examples of measurements for both p-charts and c-charts.	**2** independent work hours

	5. Explain what is meant by process capability. Why is it important? What does it tell us? How can it be measured? 6. Describe the concept of six-sigma quality. Why is such a high quality level important? 7. Which quality professionals contributed to quality costs? 8. How would you explain P. Crosby's famous phrase "quality is free"? 9. What is a relative share of quality costs compared to overall business costs? 10. How quality costs are categorised? 11. Describe the meaning of every quality costs category. 12. Which category of costs is the most important and should be counted from money-effort perspective and why? 13. Which evidence shows that an organisation encounters quality problems? 14. Why it is very important to eliminate quality problems at its earliest stage? 15. Why a part of quality costs are intangible? Are intangible costs important despite the fact that they cannot be expressed in terms of money or time? 16. What are the most important accounting problems of quality costs? 17. Can you give some examples of countries who have already implemented total quality costs accounting? 18. Why total quality costs accounting is not applied in Lithuania yet? 19. What should be done before the total quality costs accounting is applied in any organisation?	
Assessment methods	Calculation of study programme quality costs (the sixth part of the group project development, team work); final exam	-
Examination	1. Which quality professionals have contributed to quality costs? 2. Explain, why quality is free?	

	3. What is a relative share of quality costs, compared to overall business costs? 4. Describe the meaning of every category of quality costs. 5. Which category of costs is the most important and should be counted from money-effort perspective and why? 6. Which evidence shows that an organisation encounters quality problems? 7. Why is it very important to eliminate quality problems at its earliest stage? 8. Are intangible costs important despite the fact that they cannot be expressed in terms of money or time? Why? 9. What are the most challenging accounting problems of quality costs? 10. What should be done before the total quality costs accounting is applied in any organisation?	-
	Overall	**16**

	9 Topic	**Workload by hours**
Topic	Continuous improvement	-
Conspectus	• Object of quality process management • The essence of continuous improvement • The Kaizen continual improvement philosophy • W. Shewhart-Deming cycle • Process management as improvement process (Sh. Shiba) • Reactive improvement • Proactive improvement	**2** lectures **4** seminars
Required reading	1. Vanagas, Povilas. *Visuotinės kokybės vadyba: vadovėlis* / Povilas Vanagas ; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p.191-209.	**6** independent work hours

	2. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714. p. 101-122. 3. Evans, J.R.; Lindsay, W.M. (2013). *Managing for Quality and Performance Excellence*. 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part II, Chapter 9.	
Recommended reading	1. Ryan, Th. P. (2011). *Statistical Methods for Quality Improvement*. 3rd ed. John Wiley & Sons. 2. Kang, Ch.W.; Kvam, P.H. (2012). *Basic Statistical Tools for Improving Quality*. John Wiley & Sons. 3. Jensen, T. P. (2010). *Continuous improvement with Business Process Management and Enterprise Architecture together*. IBM Corporation. 4. Milakovich, M. E. (2005). *Improving service quality in the global economy: achieving high performance in public and private sectors*. 2rd ed. Auerbach Publications. 5. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices*. Retrieved from Dobb's The World of Software Development.	-
Teaching methods	Traditional lecture, seminar, interactive discussion-based teaching, practical exercise	-
Learning methods	Literature analysis and synthesis, active learning methods (panel discussion, practical exercise: identification of quality gaps in study programme process map; continual improvement programme development (team work), presentation	*(2 hours during the lectures; 4 hours during the seminars; 8 independent work hours)*
Self-check tasks	1. Define the object of quality process management. 2. What is the essence of continuous improvement? 3. Do we need to implement quality improvement actions in case our business goes fine?	**2** independent work hours

	4. What are the main differences between Kaizen philosophy and innovations? 5. What are the main advantages of Kaizen philosophy compared to innovations? 6. What are the main steps of W. Shewhart-Deming's cycle? 7. Is the W. Shewhart-Deming's cycle applied nowadays? Where? 8. What are the main features of process management as an improvement process? 9. What measures do we use in case of process management? 10. What do we call "reactive improvement"? Define its main steps. 11. What measures do we use in reactive improvement? 12. What are the consequences of proactive improvement and strategy development? 13. What measures do we use in proactive improvement methodology? 14. How would you define the role of an organisation in solving proactive improvement problems? 15. What are the advantages and disadvantages of quantitative and qualitative data in quality improvement?	
Assessment methods	Identification of quality gaps in study programme process map; continual improvement programme (the seventh part of the group project development, team-work); final exam	-
Examination	1. What is the essence of continuous improvement? 2. Do we need to implement continuous quality improvement actions in case our business goes fine? 3. What are the main differences between Kaizen philosophy and innovations? 4. What are the main advantages of Kaizen philosophy compared to innovations? 5. What are the main steps of W. Shewhart-Deming's cycle?	

	6. What measures do we use in case of process management? 7. What measures do we usually use in reactive improvement? 8. What are the consequences of proactive improvement and strategy development? 9. What measures do we use in proactive improvement methodology? 10. What are the advantages and disadvantages of quantitative and qualitative data in quality improvement?	-
	Overall	**14**

	10 Topic	**Work-load by hours**
Topic	Course Summary: Performance Excellence in the Twenty-First Century Organisation	-
Conspectus	1. Frameworks for Performance Excellence 2. Strategic Focus on Performance Excellence 3. Measurement and Knowledge Management for Performance Excellence 4. Leadership for Performance Excellence 5. Building and Sustaining Performance Excellence in the Twenty-First Century	**4** lectures
Required reading	1. Evans, J.R., Lindsay, W.M. (2013). Managing for Quality and Performance Excellence, 9th ed. Thomson Learning, Inc., Cengage South-Western. – Part III, Chapters 10-14.	**6** independent work hours
Recommended reading	1. Kaziliūnas, Adolfas. *Kokybės vadyba: vadovėlis* / Adolfas Kaziliūnas ; Mykolo Romerio universitetas. Vilnius: Mykolo Romerio universiteto Leidybos centras, 2007. 395 p.: lent. ISBN 9789955190714.-205-279. 2. Vanagas, Povilas. *Visuotinės kokybės vadyba : vadovėlis* / Povilas Vanagas; Kauno technologijos universitetas. Kaunas: Technologija, 2004. 426 p.: iliustr. ISBN 9955097485.- p. 313-342	-

	3. Knowles, G. (2012). *Managing Quality in The 21st Century: Principles and Practice*. Graeme Knowles & Ventus Publishing ApS. 4. Goetsch, D. L.; Davis, S. B. (2013). *Quality Management for Organizational Excellence– Introduction to Total Quality: International Edition*. 7th ed. Pearson Education, Limited. 5. Cohen, M.; Chard, J. (2013). *Quality Management Best Practices*. Retrieved from Dobb's The World of Software Development. 6. Oakland, J.S.S. (2012). *TQM: Text with Cases.* Routledge.	
Teaching methods	Interactive discussion-based teaching, demonstration of excerpts from documentary films, seminar	-
Learning methods	Active learning methods (panel discussion, presentation of prepared innovative total quality management strategy for the study programme) Reading: "Managing Quality in the 21st Century"	*(4 hours during the lecture)*
Self-check tasks	1. Explain the meaning of frameworks for performance excellence. 2. What frameworks for performance excellence do you know? 3. Why contemporary organisations should have strategic focus on performance excellence? 4. How measurement and knowledge management are applied to performance excellence? 5. What is the role of leadership in performance excellence? 6. How to build and sustain performance excellence in the twenty-first century?	**2** independent work hours
Assessment methods	Quality of prepared innovative total quality management strategy for the study programme; final exam	-

Examination	1. What frameworks for performance excellence do you know? Explain the meaning of a chosen framework for performance excellence. 2. Why contemporary organisations should have strategic focus on performance excellence? 3. How measurement and knowledge management are applied for performance excellence? 4. That is the role of leadership for performance excellence? 5. How to build and sustain performance excellence in the twenty-first century? Write at least ten principles.	**16** independent work hours: *preparation for exam and examination;* **2** contact work hours: *final exam*
	Overall	**30**

Vilkė, Rita

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The concept of corporate social responsibility (CSR) has evolved over time and now it is concerned to a wide range of organisations given the market character of the environment with its emphasis on globalisation and competition. At the same time, in an increasingly networked and globalised world, classical quality challenges evolve in a new context, with strong focus on socially responsible and sustainable stakeholder value. Plenty of CSR issues in terms of applications and relevant practices lately refer to a wide range of tactical level tools and approaches that can benefit greatly from quality framework.

In this context, many educational institutions are trying to adopt a more business-like orientation to accomplish the changes. Despite the evolving debate concerning CSR and sustainability in higher education institutions and its direct link to quality assurance and quality enhancement, practical guidelines for CSR encouragement in universities through proactive involvement of primary higher education quality stakeholders remain unclear.

The purpose of this book and, in parallel, the proposed course on Quality Management in Master's degree programs is to develop understanding of CSR integrated quality philosophies, quality management methods and tools, which are synthesised and applied in contemporary organisations to ensure high quality of socially responsible performance and excellence in products and services, particularly focusing on higher education institutions, i.e. universities.

The book provides additional practices with insights of modern views on quality as holistic management, responsibility and integrity tailored to classical approaches. It specifically addresses the CSR focused proactive engagement of primary higher education quality stakeholders (i.e. Master's degree students) in the process of managing quality and performance excellence particularly at universities through participatory active learning methods: problem-based learning, discussion-based teaching, brainstorming, panel discussions, exploratory practical tasks based on critical analysis. Each topic is developed with continuous learning tasks, addressed to acquire demanded competencies for managing quality and performance excellence and develop skills for finding innovative CSR-based quality management solutions for particular quality programme development. In line with issuing a challenge for primary higher education stakeholders by proactive engagement in creative study programme quality improvement process, it gives an opportunity of examining responsibility for quality in higher education on their own both from theoretical and practical backgrounds.

Rita Vilkė

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Student Workbook

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